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# SESSIONAL PAPERS

VOLUME 3



SECOND SESSION OF THE NINTH PARLIAMENT

OF THE

DOMINION OF CANADA

SESSION 1902

58349  
7/11/02









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## CONTENTS OF VOLUME 2.

2. Public Accounts of Canada, for the fiscal year ended 30th June, 1901. Presented 17th February, 1902, by Hon. W. S. Fielding....*Printed for both distribution and sessional papers.*
3. Estimates of sums required for the services of Canada, for the year ending on the 30th June, 1903, Presented 17th February, 1902, by Hon. W. S. Fielding.  
*Printed for both distribution and sessional papers.*
4. Supplementary Estimates for the year ending 30th June, 1902. Presented 6th March, 1902, by Hon. W. S. Fielding. ....*Printed for both distribution and sessional papers.*
5. Further Supplementary Estimates for the year ending 30th June, 1902. Presented 30th April, 1902, by Hon. W. S. Fielding.....*Printed for both distribution and sessional papers.*
- 5a. Supplementary Estimates for the year ending 30th June, 1903. Presented 7th May, 1902, by Hon. W. S. Fielding.....*Printed for both distribution and sessional papers.*
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- 5c. Further Supplementary Estimates for the year ending 30th June, 1902. Presented 14th May, 1902, by Hon. W. S. Fielding.....*Printed for both distribution and sessional papers.*
6. List of Shareholders in the Chartered Banks of Canada, as on the 31st December, 1901. Presented 21st April, 1902, by Hon. W. S. Fielding.....*Printed for both distribution and sessional papers.*
7. Report of dividends remaining unpaid, unclaimed balances and unpaid drafts and bills of exchange in Chartered Banks of Canada, for five years and upwards, prior to December, 1901. Presented 9th May, 1902, by Hon. W. S. Fielding.....*Printed for both distribution and sessional papers.*

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8. Report of the Superintendent of Insurance, for the year ended 31st December, 1901.  
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9. Abstract of Statements of Insurance Companies in Canada, for the year ended 31st December, 1901. Presented 26th March, 1902, by Hon. W. S. Fielding.  
*Printed for both distribution and sessional papers.*



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## CONTENTS OF VOLUME 4.

- 10.** Report of the Department of Trade and Commerce, for the fiscal year ended 30th June, 1901. Presented 18th February, 1902, by Sir Richard Cartwright.

*Printed for both distribution and sessional papers.*

## CONTENTS OF VOLUME 5.

- 11.** Tables of the Trade and Navigation of Canada, for the fiscal year ended 30th June, 1901. Presented 18th February, 1902, by Hon. W. Paterson.. . . . *Printed for both distribution and sessional papers.*

## CONTENTS OF VOLUME 6.

- 12.** Inland Revenues of Canada. Excise, etc., for the fiscal year ended 30th June, 1901. Presented 27th February, 1902, by Hon. W. S. Fielding.....*Printed for both distribution and sessional papers.*

- 13.** Inspection of Weights, Measures, Gas and Electric Light, for the fiscal year ended 30th June, 1901. Presented 27th February, 1902, by Hon. W. S. Fielding.

*Printed for both distribution and sessional papers.*

- 14.** Report on Adulteration of Food, for the fiscal year ended 30th June, 1901. Presented 17th February, 1902, by Hon. W. S. Fielding.....*Printed for both distribution and sessional papers.*

- 15.** Report of the Minister of Agriculture, for the year ended 31st October, 1901. Presented 21st February, 1902, by Hon. S. A. Fisher .....*Printed for both distribution and sessional papers.*

- 16.** Report of the Directors and Officers of the Experimental Farms, for the year 1901. Presented 8th April, 1902, by Hon. S. A. Fisher.. . . .*Printed for both distribution and sessional papers.*

## CONTENTS OF VOLUME 7.

- 17.** Criminal Statistics for the year 1901.....*Printed for both distribution and sessional papers.*

- 18.** Report on Canadian Archives, 1901. Presented 23rd April, 1902, by Hon. S. A. Fisher.

*Printed for both distribution and sessional papers.*

- 19.** Report of the Minister of Public Works, for the fiscal year ended 30th June, 1901. Presented 17th February, 1902, by Hon. J. I. Tarte.....*Printed for both distribution and sessional papers.*

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- 20.** Annual Report of the Department of Railways and Canals, for the fiscal year ended 30th June, 1901. Presented 19th February, 1902, by Hon. A. G. Blair.*Printed for both distribution and sessional papers.*

- 20a.** Reports upon Railway Commissions, Railway Rate Grievances, and Regulative Legislation.

*Printed for both distribution and sessional papers.*

## CONTENTS OF VOLUME 9.

- 21.** Report of the Department of Marine and Fisheries (Marine), for the fiscal year ended 30th June, 1901. Presented 19th February, 1902, by Hon. J. Sutherland.

*Printed for both distribution and sessional papers.*

- 21a.** Third Annual Report of the Geographic Board of Canada, 1901.

*Printed for both distribution and sessional papers.*

- 21b.** List of Shipping issued by the Department of Marine and Fisheries, being a List of Vessels on the registry books of Canada, on the 31st December, 1901.

*Printed for both distribution and sessional papers.*

- 22.** Report of the Department of Marine and Fisheries (Fisheries), for the fiscal year ended 30th June, 1901. Presented 26th February, 1902, by Hon. J. Sutherland.

*Printed for both distribution and sessional papers.*

- 22a.** Contributions to Canadian Biology, being studies from the Marine Biological Station of Canada, 1901.

*Printed for both distribution and sessional papers.*



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- 22b. Special Reports on the Hatching and Planting of Trout ; the Propagation and Planting of Predaceous Fish, and the Aim and Basis of Fishery Regulations.  
*Printed for both distribution and sessional papers.*
23. Report of the Harbour Commissioners, etc., 1901....*Printed for both distribution and sessional papers.*

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24. Report of the Postmaster General, for the year ended 30th June, 1901. Presented 17th February, 1902, by Hon. W. Mulock .....*Printed for both distribution and sessional papers.*
25. Annual Report of the Department of the Interior, for the fiscal year ended 30th June, 1901. Presented 20th February, 1902, by Hon. C. Sifton.....*Printed for both distribution and sessional papers.*

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26. Summary Report of the Geological Survey Department for the calendar year 1901. Presented 14th April, 1902, by Hon. C. Sifton.....*Printed for both distribution and sessional papers.*
27. Annual Report of the Department of Indian Affairs, for the fiscal year ended 30th June, 1901. Presented 20th February, 1902, by Hon. C. Sifton.*Printed for both distribution and sessional papers.*

### CONTENTS OF VOLUME 12.

28. Report of the North-west Mounted Police, 1901. Presented 12th March, 1902, by Sir Wilfrid Laurier.  
*Printed for both distribution and sessional papers.*
29. Report of the Secretary of State of Canada, for the year ended 31st December, 1901. Presented 27th February, 1902, by Hon. C. Fitzpatrick..... *Printed for both distribution and sessional papers.*
30. Civil Service List of Canada, 1901. Presented 19th February, 1902, by Hon. C. Fitzpatrick.  
*Printed for both distribution and sessional papers.*
31. Report of the Board of Civil Service Examiners, for the year ended 31st December, 1901. Presented 20th March, 1902, by Hon. H. G. Carroll.....*Printed for both distribution and sessional papers.*
32. Annual Report of the Department of Public Printing and Stationery, for the year ended 30th June, 1901. Presented 27th February, 1902, by Hon. C. Fitzpatrick.  
*Printed for both distribution and sessional papers.*
33. Report of the Joint Librarians of Parliament for the year 1901. Presented 13th February, 1902, by the Hon. The Speaker.....*Printed for sessional papers.*
34. Report of the Minister of Justice as to Penitentiaries of Canada, for the year ended 30th June, 1901. Presented 17th February, 1902, by Hon. C. Fitzpatrick.  
*Printed for both distribution and sessional papers.*
35. Report of the Department of Militia and Defence of Canada, for the year ended 31st December, 1901. Presented 17th March, 1902, by Hon. F. W. Borden.  
*Printed for both distribution and sessional papers.*

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36. Report of the Department of Labour, for the year ended 30th June, 1901. Presented 17th February, 1902, by Hon. W. Mulock.....*Printed for both distribution and sessional papers.*
37. Statement of Governor General's Warrants issued since the last session of parliament, on account of the fiscal year 1901-02. Presented 17th February, 1902, by Hon. W. S. Fielding.....*Not printed.*
38. Statement of all superannuations and retiring allowances in the civil service during the year ended 31st December, 1901, showing name, rank, salary, service, allowance and cause of retirement of each person superannuated or retired, also whether vacancy filled by promotion or by new appointment, and salary of any new appointee. Presented 17th February, 1902, by Hon. W. S. Fielding.  
*Not printed.*



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39. Statement of receipts and expenditures of the Ottawa Improvement Commission, for the fiscal year ended 30th June, 1901. Presented 17th February, 1902, by Hon. W. S. Fielding.....*Not printed.*
40. Return showing the expenditure on account of unforeseen expenses from the 1st July, 1901, to the 13th February, 1902. Presented 17th February, 1902, by Hon. W. S. Fielding.....*Not printed.*
41. Statement in pursuance of section 17, of the Civil Service Insurance Act, for the fiscal year ended 30th June, 1901. Presented 17th February, 1902, by Hon. W. S. Fielding. . . . . *Not printed.*
42. Return to an address of the House of Commons, dated 19th February, 1902, for copy of all papers and correspondence exchanged between Canadian and British authorities, with reference to the embargo imposed by the British government on Canadian cattle. Presented 6th March, 1902.—*Mr. Bourassa*... . . . . *Not printed.*
43. Return of over-rulings by the treasury board of the auditor general's decisions between the commencement of the session of 1901 and the session of 1902. Presented 18th February, 1902, by Hon. W. S. Fielding..... *Not printed.*
44. Detailed statement of all bonds and securities registered in the department of the secretary of state of Canada, since last return, 11th February, 1901, submitted to the parliament of Canada under section 23, chapter 19 of the Revised Statutes of Canada. Presented 19th February, 1902, by Hon. C. Fitzpatrick.....*Not printed.*
45. Orders of the Exchequer Court. Presented 19th February, 1902, by Hon. C. Fitzpatrick.*Not printed.*
- 45a. Rules of the Exchequer Court, pursuant to 52 Victoria, chapter 38, section 2. Presented 19th March, 1902, by Hon. H. G. Carroll.....*Not printed.*
46. Ordinances passed by the Yukon council during the year 1901. Presented 19th February, 1902, by Hon. C. Fitzpatrick.....*Not printed.*
47. Return of the names and salaries of all persons appointed to or promoted in the Civil Service of Canada during the year 1901. Presented 19th February, 1902, by Hon. C. Fitzpatrick..*Not printed.*
48. Copy of a report of the committee of the honourable the privy council, approved by his excellency on the 23rd January, 1902, relative to a proposed increase of the capital stock of the Canadian Pacific Railway Company, by twenty millions of dollars and correspondence relating thereto. Presented 19th February, 1902, by Sir Wilfrid Laurier.....*Printed for sessional papers.*
49. Copy of a report of the committee of the honourable the privy council, approved by his excellency on the 31st May, 1901, relating to a contract with the American Bank Note Company and correspondence relating thereto. Presented 20th February, 1902, by Hon. W. S. Fielding.  
*Printed for sessional papers.*
50. Annual return under chapter 131 (R.S.C), intituled : "An Act respecting Trade Unions." Presented 21st February, 1902, by Hon. C. Fitzpatrick.....*Not printed.*
51. Return to an order of the House of Commons, dated 26th February, 1902, for a copy of the correspondence relating to an agreement made between the government of Canada and the Marconi's Wireless Telegraph Company, Limited. Presented 26th February, 1902, by Sir Wilfrid Laurier.  
*Not printed.*
- 51a. Memorandum of agreement made the seventeenth day of March, 1902, between Marconi's Wireless Telegraph Company, Limited, and the Marconi International Marine Communication Company, Limited, and His Majesty King Edward Seventh, represented herein by the Right Honourable Sir Wilfrid Laurier, G.C.M.G., President of the King's Privy Council for Canada. Presented 15th April, 1902, by Sir Wilfrid Laurier.....*Printed for sessional papers.*
52. Report of the Commissioner, Dominion Police Force, for the year 1901. Presented 26th February, 1902, by Hon. C. Fitzpatrick .....*Not printed.*
53. Report of Commissioner and other documents in connection with the Royal Commission in re the alleged combination of paper manufacturers and dealers. Presented 21st April, 1902, by Hon. W. S. Fielding..... *Printed for both distribution and sessional papers.*
54. Report of the Royal Commission on Chinese and Japanese Immigration. Part I.—Chinese Immigration. Presented 27th February, 1902, by Sir Wilfrid Laurier. Part II.—Japanese Immigration, together with all the evidence taken before the said Commission. Presented 14th April, 1902, by Sir Wilfrid Laurier.. . . . *Printed for both distribution and sessional papers.*



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55. Statement of the affairs of the British Canadian Loan and Investment Company, as on the 31st December, 1901. Presented 3rd March, 1902, by the Hon. The Speaker.....*Not printed.*
56. Return to an order of the House of Commons, dated 19th February, 1902, showing the names and number of men employed on the 200 acres set apart at the Central Experimental Farm, Ottawa, as a farm proper to be handled as a farm, that is, as any farmer's farm might be handled; mentioned in the evidence of J. H. Grisdale, Esq., given Thursday, April 11th, 1901, at the morning session of the select standing committee on agriculture and colonization. The number of employees and the wages paid to each employee. The total crop of various kinds grown on said 200 acres, and the amount said total crop was sold for. Presented 4th March, 1902.—*Mr. Wilson*.....*Not printed.*
57. Supplementary return to an order of the House of Commons, dated 18th February, 1901, for copies of all correspondence, telegrams, letters, notes and memoranda exchanged between the Canadian commissioner at the Paris exhibition, or any member of the Canadian commission, and Lord Strathcona or the royal commission or the colonial secretary, in relation to the representation of Canada at the exhibition. Presented 4th March, 1902.—*Mr. Bourassa*.....*Not printed.*
- 57a. Report of the Canadian Commission at the Paris exhibition. Presented 22nd April, 1902, by Hon. S. A. Fisher.....*Not printed.*
58. Return to an order of the House of Commons, dated 19th February, 1902, for correspondence between the department of the interior or the minister of the interior, and Mr. C. R. Devlin, with reference to a letter that appeared in *United Canada* on 11th May, 1901, and a letter that appeared in the *Montreal Herald* on the 18th May, 1901; in both of said letters Mr. C. R. Devlin made certain statements regarding members of this house. Presented 6th March, 1902.—*Mr. Wilson*.  
*Not printed.*
59. Return to an order of the House of Commons, dated 19th February, 1902, showing: 1. The names of all employees in the post office at Belleville, Ontario, on June 30th, 1896, together with the age of each, date of entry in the service, and the salary of each on the said date. 2. The number of employees dismissed from the Belleville post office since June 30th, 1896, with cause and date of dismissal. 3. The number of employees superannuated, the date of their superannuation, reason for their superannuation, how much superannuation allowance has been allowed to each; giving the names of all said employees so superannuated who have asked to be superannuated. 4. How many employees were employed in the Belleville post office on 1st January, 1902; what were their names and the age and salary of each employee on said date, and date of appointment. Presented 7th March, 1902.—*Mr. Wilson*.....*Not printed.*
- 59a. Return to an order of the House of Commons, dated 10th March, 1902, for a list of the names of all permanent and temporary officials employed in the Winnipeg post office since the 1st of July, 1896; date of appointment, length of service, and salary up to the 1st of January, 1902. Presented 3rd April, 1902.—*Mr. LaRivière*.....*Not printed.*
- 59b. Return to an order of the House of Commons, dated 28th April, 1902, of copies of all tenders received by the post office department in June, 1901, for carrying mail between Hamilton and Guelph. Presented 7th May, 1902.—*Mr. Smith (Wentworth)*.....*Not printed.*
- 59c. Return to an order of the House of Commons, dated 14th April, 1902, for copies of all petitions, correspondence and any and all other documents addressed by any person or persons to the honourable the postmaster general upon which he or the department acted in dismissing, or which led to the dismissal of David Clinton, lately postmaster at Wellington, Ontario. Presented 9th May, 1902.—*Mr. Atcorn*.....*Not printed.*
- 59d. Return to an order of the House of Commons, dated 28th April, 1902, for a copy of the petition sent to the government asking for the dismissal of Mr. H. Therien, postmaster at Grandes Piles, in the province of Quebec; and copies of all correspondence between the government and all persons interested in the subject of such dismissal. Presented 14th May, 1902.—*Mr. Ball*.....*Not printed.*
- 59e. Return to an order of the House of Commons, dated 9th April, 1902, for copies of all correspondence, petitions, affidavits and documents relating to the dismissal of Alphonse Thomas as postmaster at La Prairie, P.Q. Presented 14th May, 1902.—*Mr. Monk*.....*Not printed.*
60. Return to an order of the House of Commons, dated 27th February, 1902, for copies of all letters, telegrams and other correspondence between the department of labour and the Canadian Pacific Railway, Mr. John Wilson and other parties, in respect of alleged violations of the Alien Labour Law, between June 1st and September 1st, 1901. Also between officers of the immigration department and the Canadian Pacific Railway. Presented 7th March, 1902.—*Mr. Puttee*....*Not printed.*



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61. Return to an order of the House of Commons, dated 3rd March, 1902, showing:—1. All contracts awarded by the department of railways and canals during the year ending June 30th, 1901, in which the "Current Wages" clause was incorporated, and the amount of such contracts. 2. The number of such contracts in which the schedule of wages was prepared by the fair wages officers. 3. The number of such contracts in which the schedule of wages was prepared by the contractors and accepted by the department. 4. The number of such contracts which were unaccompanied by schedule of wages. 5. The number of contracts awarded by the department of railways and canals which did not contain either the "Current Wages" clause or a schedule of wages. Presented 11th March, 1902.—*Mr. Puttee*..... *Not printed.*
62. Report on the trend of farm land values as indicated by the selling price. Presented 11th March, 1902, by Hon. S. A. Fisher.. ..... *Not printed.*
63. Return to an order of the House of Commons, dated 27th February, 1902, showing: 1. Whether the government or any member thereof, by letter or otherwise, gave any public or private assurance that in the selection of officers for the Canadian South African constabulary, which left for South Africa, last year, preference would be given to those Canadian officers who have served in South Africa and to other officers of the Canadian militia. 2. What persons, officers or others, applied for commissions in said constabulary. What is the military record of each, either in Canada, South Africa or elsewhere. 3. (a). What officers were selected and appointed; (b). What is the military record of each. 4. Who of those selected as officers had never before been officers. 5. Whether there were enough applications from officers of the Canadian militia to officer the constabulary, and the reason for their being passed over, and men without qualification, if there were any such, selected. 6. How many commissioned officers of the Canadian militia were enlisted in the first and second contingents, in the Royal Canadian Regiment, the Canadian Mounted Infantry, the Royal Canadian Dragoons, and the Canadian Artillery, as (a.) non-commissioned officers and (b.) as men. 7. How many non-commissioned officers and men of the permanent corps were enlisted in the corps named in question. How many of these were non-commissioned officers in South Africa. (c.) Why were the commissioned officers enlisted in the corps as privates, not given the non-commissions. Presented 11th March, 1902.—*Mr. Monk*..... *Not printed.*
64. Return to an address of the House of Commons, dated 19th February, 1902, for a copy of all papers and correspondence relating to the coronation of his majesty the king; the imperial conference which is to be held in London, and the appointment of Canadian delegates to the same. Presented 11th March, 1902.—*Mr. Bourassa*..... *Printed for sessional papers.*
65. Return to an address of the House of Commons, dated 19th February, 1902, for: 1. Copies of all applications for any portion of the ground covered by the Matson concession (so-called), or lease No. 9, in the Yukon district. 2. Copies of all applications for any portion of the ground covered by the Doyle concession (so-called), in the Yukon district. 3. Copies of all applications for any portion of the ground covered by the Bronson & Ray concession, in the Yukon district. 4. A memorandum showing the date on which the application in the Bronson & Ray concession was granted. 5. Copy of the application for all lay-overs in all these cases. 6. Copies of orders in council or other authority under which the minister of the interior granted any lay-over in these cases; and copy of the material, reports or other evidence upon which such lay-overs were granted. 7. A description of the Boyle concession and a map of same. 8. Copy of the application for Boyle concession. 9. The exact terms of the application in the case of the Milne concession. 10. The dates on which this application was made and granted. 11. Map showing ground covered. 12. The date when the application for the Slavin & Gates concession was made and filed. 13. Copy of Green's original map, with copy of field notes attached in the case of the Slavin & Gates concession. 14. Copy of telegram from the deputy minister of interior to E. C. Senkler as to the boundaries of this concession, dated on or about the 5th June, 1901. Presented 12th March, 1902.—*Mr. Taylor* .... *Not printed.*
66. Return to an order of the House of Commons, dated 20th February, 1902, for a statement in detail showing the quantity of vegetables imported from the United States and entered at the ports of Montreal and Toronto during the years 1900 and 1901, respectively, as well as of the amount of duties collected by the government of Canada during the said two years at each one of the said ports. Presented 14th March, 1902.—*Mr. Léonard*..... *Not printed.*
- 66a. Return to an order of the House of Commons, dated 20th February, 1902, for copies of all petitions, resolutions, letters, etc., addressed to the government in relation to an increase or a readjustment of the duties on vegetables, and of all replies sent by the government to said resolutions, petitions and letters. Presented 24th March, 1902.—*Mr. Léonard*..... *Not printed.*



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67. Return to an address of the House of Commons, dated 19th February, 1902, for a copy of all papers and correspondence relating to the disallowance of chapters 11 and 14 of the Statutes of 1900, province of British Columbia, viz.: "An Act to regulate immigration into British Columbia," and "An Act relating to the employment on works carried on under franchises granted by Private Acts." Presented 17th March, 1902.—*Mr. Bourassa*.....*Not printed.*
68. Return to an order of the House of Commons, dated 19th February, 1902, showing: 1. The amount of money spent each year from June 30th, 1891, to June 30th, 1901, on immigration. 2. The number of immigrants reported each year to have settled each year in the Dominion of Canada during the ten (10) years from 1891 to 1901, and the total for the ten years. 3. The number of immigrant agents employed by the Dominion government each year in Great Britain and Ireland from 1891 to 1901, and the total amount paid each year to the said agents, and the amount spent each year for printing and other expenses by the said agents. 4. The number of immigrant agents employed by the Dominion government each year in the continent of Europe from 1891 to 1901, and the total amount paid each year to the said agents, and the amount spent each year for printing and other expenses by the said agents. 5. The number of immigrant agents employed by the Dominion government each year in the United States of America from 1891 to 1901; and the total amount paid each year to the said agents; and amounts spent each year for printing and other expenses by the said agents; and by the government of the Dominion of Canada. Presented 18th March, 1902.—*Mr. Wilson*.....*Printed for sessional papers.*
69. Statement for parliament relative to fishing bounty payments for the year 1900-1901, required under section 4, of chapter 96, of the Revised Statutes of Canada, intituled: "An Act to encourage the development of the sea fisheries and the building of fishing vessels." Presented (Senate) 19th March, 1902, by Hon. R. W. Scott.....*Not printed.*
70. Return of all lands sold by the Canadian Pacific Railway Company, from the 1st October, 1900, to the 1st October, 1901. Presented 21st March, 1902, by Hon. W. S. Fielding .... *Not printed.*
- 70a. Return (in so far as the department of the interior is concerned) of copies of all orders in council, plans, papers and correspondence which are required to be presented to the House of Commons, under a resolution passed on 20th February, 1882, since the date of the last return under such resolution. Presented 21st March, 1902, by Hon. W. S. Fielding..... *Not printed.*
71. Return to an address of the House of Commons, dated 3rd March, 1902, for copies for all applications for water powers and other similar rights on or connected with the Soulanges canal, and all correspondence with respect thereto, and all reports, letters and communications of or from engineers or other experts respecting the same. Also all leases granted to any person, firm or corporation of water powers or other similar rights on or connected with the above named canal. Presented 20th March, 1902.—*Mr. Bennett*.....*Not printed.*
72. Return to an order of the House of Commons, dated 26th February, 1902, showing amount of the rebate paid on agricultural implements exported from Canada for the fiscal year ending 30th June, 1901, specifying amount paid to each firm. Presented 20th March, 1902.—*Mr. Henderson.* *Not printed.*
73. Return to an order of the House of Commons, dated 6th March, 1902, showing: 1. The amount of refined sugar imported into Canada (a) from the first of January to 31st December, 1900; (b) from the first of January to the 31st of December, 1901; 2. The amount of raw sugar imported within same dates, each year separate, and the name of the country from which it has been imported. Presented 20th March, 1902.—*Mr. Madore*.....*Not printed,*
74. Return to an order of the House of Commons, dated 10th March, 1902, for a tracing showing the principal railway lines in operation in New Brunswick, and showing the railway lines, or portions of such lines, over which postal cars are run. Presented 24th March, 1902.—*Mr. Costigan.*  
*Not printed.*
75. Return of orders in council, which have been published in the *Canada Gazette* and in the *British Columbia Gazette*, between 1st January and 31st December, 1901, in accordance with the provisions of subsection (d) of section 38 of the regulations for the survey, administration, disposal and management of Dominion lands within the 40-mile railway belt in the province of British Columbia. Presented 21st March, 1902, by Hon. W. S. Fielding.....*Not printed.*



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- 75a. Return of orders in council which have been published in the *Canada Gazette* between 1st January and 31st December, 1901, in accordance with the provisions of clause 91 of the Dominion Lands Act, chapter 54 of the Revised Statutes of Canada and its amendments. Presented 21st March, 1902, by Hon. W. S. Fielding. . . . . *Not printed.*
76. Return of orders in council which have been published in the *Canada Gazette* between 1st January and 31st December, 1901, in accordance with the provisions of section 52 of the North-west Irrigation Act, chapter 35 of 61 Victoria. Presented 21st March, 1902, by Hon. W. S. Fielding.—*Not printed.*
77. Return to an address of the House of Commons, dated 19th February, 1902, for copies of all letters, telegrams and other correspondence between the governments of Canada, Australia and New Zealand or any member thereof, respecting trade transportation, cable and other subjects of intercolonial concern. Presented 26th March, 1902.—*Mr. Campbell*. . . . . *Printed for sessional papers.*
78. Return to an order of the House of Commons, dated 10th March, 1902, for list of the names of all permanent and temporary officials of the several branches of the department of the interior, date of appointment, and their salaries, on the 1st July, 1896; also a similar list on the 1st July, 1901. Presented 26th March, 1902.—*Mr. LaRivière*. . . . . *Not printed.*
79. Return to an order of the House of Commons, dated 21st February, 1901, of all papers, reports and other data relative to the lowering of the waters of Lake Simcoe, with a view towards reclaiming certain flooded lands. Presented 26th March, 1902.—*Mr. McLeod*. . . . . *Not printed.*
80. Return to an address of the House of Commons, dated 27th February, 1902, for a copy of the report from the judicial committee of the privy council, dated the 8th day of December, 1901, in the matter of an appeal from the court of king's bench for the province of Quebec (appeal side) between the Canadian Pacific Railway Company, appellant, and Adrien Roy, respondent. Presented 7th April, 1902.—*Mr. Lemieux*. . . . . *Not printed.*
81. Orders in council with respect to the application made by Messrs. Ewing, Treadgold and Barwick, to divert water for mining purposes. Presented 8th April, 1902, by Hon. C. Sifton.  
*Printed for both distribution and sessional papers.*
- 81a. Partial return to an address of the House of Commons, dated 9th April, 1902: 1. For copies of all orders in council, petitions, applications, reports, telegrams, correspondence, grants, contracts, agreements, documents, and communications in writing, relating to or concerning the grant to or concession to A. N. C. Treadgold and others, or to the Hydraulic Mining Syndicate, either separately or associated with A. N. C. Treadgold, of any claims, rights, and privileges on Bonanza, Bear and Hunker Creeks or their tributaries, or elsewhere in the Yukon territory. 2. A description and plan showing the situation, location, area, and other particulars of all the claims, rights, and privileges so granted or conceded to the said A. N. C. Treadgold and others, or to the said Hydraulic Mining Syndicate, as aforesaid. Presented 23rd April, 1902.—*Mr. Borden (Halifax)*.  
*Printed for both distribution and sessional papers.*
- 81b. Return to an order of the House of Commons, dated 9th April, 1902, indicating: 1. The names of all grantees of permits to cut timber in the Yukon, to whom permits, licenses or leases have been issued since the 1st January, 1899. 2. The location of such grants. 3. The annual amount payable by the grantee, licensee or lessee. 4. The price or consideration of the grant. 5. The name in each case of the present holder of grant or lease, if transferred. 6. Whether each and every grant was publicly advertised for sale by auction. Presented 29th April, 1902.—*Mr. Monk*. . . . . *Not printed.*
82. Return showing the reductions and remissions under section 141 as added to the Indian Act by section 8, chapter 35, 58-59 Victoria, during the fiscal year ended 30th June, 1901. Presented (Senate) 8th April, 1902, by Hon. R. W. Scott. . . . . *Not printed.*
83. Return to an address of the Senate, dated 20th February, 1902, for copies of all orders in council, documents, memoranda, or other papers, relating to the transfer, from the federal to the provincial control, of public lands allotted for education in Manitoba, or relating to the payment by this government to the Manitoba government of any money—whether it be on the capital or on the interest—derived from the sales of such lands; also copies of all correspondence between the government or any member thereof, and the government of Manitoba or any member thereof, or any other persons, up to this date, in connection with the above matters. Presented (Senate) 9th April, 1902.—*Hon. Mr. Bernier*. . . . . *Printed for both distribution and sessional papers.*



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- 83a. Return to an address of the House of Commons, dated 19th February, 1902, for a copy of all correspondence, petitions, orders in council, and any and all documents in connection with the demands of the provincial legislature, with regard to the school lands in Manitoba; moneys derived from sales thereof, together with interest accrued thereon. Presented 25th April, 1902.—*Mr. LaRivière.*  
*Incorporated with 83.*
84. Return to an address of the House of Commons, dated 9th April, 1902, for copies of all correspondence, papers, letters, telegrams, etc., between the department of justice and the authorities of the St. Vincent de Paul Penitentiary, relating to the leave granted to the present warden, as well as that which passed respecting the superannuation of the said warden. Presented 21st April, 1902.—*Mr. Léonard.*.....*Not printed.*
- 84a. Return to an order of the House of Commons, dated 9th April, 1902, for copies of all correspondence, letters, claims, etc., addressed to the government in regard to the indemnity of Trefle Nantel, a guard at the St. Vincent de Paul Penitentiary, who died on or about the 12th September, 1900; as well as all documents relating to that matter. Presented 21st April, 1902.—*Mr. Léonard.*  
*Not printed.*
85. Return to an order of the House of Commons, dated 9th April, 1902, for a copy of the report of Inspector McRae of the Indian department relating to the investigation held by him respecting the complaint by the Restigouche Indians against Indian Agent Peters, together with all correspondence and documents in connection therewith. Presented 21st April, 1902.—*Mr. Fowler.*.....*Not printed.*
86. Report of the Commissioner for Canada at the Pan-American exhibition. Presented 22nd April, 1902, by *Hon. S. A. Fisher.*.....*Not printed.*
87. Report of the Canadian Commissioner at the Glasgow exhibition. Presented 22nd April, 1902, by *Hon. S. A. Fisher.*.....*Not printed.*
88. Return to an order of the House of Commons, dated 13th March, 1902, showing:—1. The number of timber limits, and where located, that have been disposed of by the government since July, 1896, in the province of Manitoba and North-west Territories. 2. The names of the purchasers in each case, and price paid for each limit. 3. Copies of tenders for each limit, and names of newspapers in which advertisements appeared. Presented 23rd April, 1902.—*Mr. Roche (Marquette).*  
*Not printed.*
89. Return to an order of the House of Commons, dated 9th April, 1902, for any communications, reports, or other documents received by the government, or any member or department thereof, from Colonel Taylor, of Pittsburg, U.S.A., with reference to the deposits of coal and coal mining in South British Columbia, particularly the Crow's Nest Pass coal fields. Presented 25th April, 1902.—*Mr. Bennett.*.....*Not printed.*
90. Return to an order of the House of Commons, dated 9th April, 1902, for copy of petition dated on or about November 29th, 1901, from the president of the Quebec Trades and Labour Council to the department of labour, and of all documents connected with said petition or mentioned therein, or correspondence ensuing therefrom in reference to the arbitration controversy or conflict between the Shoe Workers' Union of Quebec city and Mgr. L. N. Bégin, Archbishop of Quebec. Presented 28th April, 1902.—*Mr. Puttee.*.....*Not Printed.*
- 90a. Return to an order of the House of Commons, dated 9th April, 1902, for copies of all letters, telegrams and other correspondence between the department of labour and the officers of the Rossland Miners' Union and other persons, in reference to the alleged violations of the Alien Labour Act in connection with the Rossland miners' strike. Presented 9th May, 1902.—*Mr. Smith (Vancouver).*.....*Not printed.*
91. Return to an address of the House of Commons, dated 14th April, 1902, for copies of all memorials, petitions or protests received respecting the erection of a monument to General Montgomery at Quebec, with dates; also copies of replies sent thereto. Presented 29th April, 1902.—*Mr. Clarke.*  
*Not printed.*
92. Return to an address of the House of Commons, dated 9th April, 1902, for a statement of all moneys paid by the Dominion government to the province of Ontario during the calendar years 1900 and 1901, respectively; stating in each case how much of such moneys so paid was on account of subsidy, allowance for government, and interest, respectively. Also copies of all telegrams, letters, or correspondence of any kind in any way relating to or connected with the transmission of such moneys. Presented 30th April, 1902.—*Mr. Henderson.*.....*Not printed.*



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93. Return to an order of the House of Commons, dated 26th February, 1902, showing (1st) the number of commutations of sentences that have been granted through the department of justice to prisoners convicted of arson or incendiarism during the years 1899, 1900 and 1901, respectively; (2nd) the places where the crimes were committed; (3rd) the sentences imposed. Presented 1st May, 1902.—*Mr. Monk*.....*Not printed.*
94. Return to an address of the Senate, dated 9th April, 1902, for a copy of the orders in council appointing: 1. The Honourable Mr. Wurtele, one of the judges of the court of appeal for the province of Quebec, chairman of the commission for the revision of the statutes of the Dominion of Canada. 2. The Honourable Justice François Langelier, one of the judges of the superior court of the province of Quebec, a judge of the court of appeal of the same province, in the room and place of the said Honourable Judge Wurtele. 3. Cancelling the aforesaid appointments; together with a copy of all correspondence exchanged on the subject of these appointments and the cancellation thereof. Presented (Senate) 2nd May, 1902.—*Hon. Mr. Landry*.....*Not printed.*
95. Return to an order of the House of Commons, dated 14th April, 1902, showing: 1. The number of seine licenses issued for the province of British Columbia for the year 1901. 2. To whom the said licenses were issued. 3. The number operated by those to whom they were issued, and by whom. 4. By whom those were operated which were not used by the parties to whom they were issued. Presented 5th May, 1902.—*Mr. Earle*.....*Not printed.*
96. Return to an address of the House of Commons, dated 19th February, 1902, for a copy of all papers and correspondence exchanged between his excellency the governor general, the Canadian government, or any of its members or departments, the officer commanding the Canadian militia, and the British authorities, in relation to the South African war, its conduct and its settlement; and the sending or recruiting of Canadian troops to South Africa,—for the three last years. Presented 7th May, 1902.—*Mr. Bourassa*.....*Not printed.*
97. Return to an order of the House of Commons, dated 3rd March, 1902, for copies of all contracts made during two years past between the government of Canada and all steamship companies with whom it is agreed that a subsidy, bonus or grant of any kind shall be given by the government of Canada for services to be rendered in connection with transatlantic, transpacific or West Indian business. Presented 9th May, 1902.—*Mr. Smith (Wentworth)*.....*Not printed.*
98. Copy of the finding of the judge of the exchequer court of Canada, in the matter between William Mackenzie and Donald D. Mann, claimants, and His Majesty the King, defendant. Presented 9th May, 1902, by Hon. C. Fitzpatrick .. *Not printed.*
99. Return to an order of the House of Commons, dated 9th April, 1902, showing what licenses, during the year 1900, were issued, entitling the persons named therein to fish for oysters on the beds planted by the government in the harbour of Shediac. And also showing to whom such licenses were issued, and on what dates they were respectively issued, and by whose authority they were issued in each instance, and whether such licenses, or any, and which of them were cancelled; and if so, how many, and on what date, and for what reason, such licenses were cancelled; and what quantity of oysters was secured under such licenses during the period they were in force. Presented 9th May, 1902.—*Mr. Borden (Halifax)*.....*Not printed.*
100. Return to an order of the House of Commons, dated 9th April, 1902, for a statement showing: 1. Into how many classes the employees of the Intercolonial Railway are divided. 2. The name, residence and the salary of each of the employees of the first class. 3. The name, residence and salary of each of those of the second class. 4. The number of those of the third class, and the total amount of the yearly salary paid them. Presented 10th May, 1902.—*Mr. Léonard*.....*Not printed.*
101. Return to an address of the Senate, dated 23rd April, 1902, of all correspondence which has taken place within the last two years between the government of Canada or any department or officer thereof, and any steamship company or agent of such company, engaged in the transportation of the produce of Canada from any port in Canada to Europe, regarding the ventilation of space on steamships used for storage during transportation of perishable products such as apples and cheese; also copies of all clauses in contracts with steamship companies relating to the ventilation of the holds or spaces between the decks of steamers employed as aforesaid; also a statement giving the names of all steamships and the owners thereof which have been equipped with means of generating cold air and distributing the same throughout their holds and between decks, in terms of the appropriation made for such purpose during last session of parliament, giving the cost to the government in the



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case of each steamer; also a statement showing the daily minimum and maximum temperatures maintained during each voyage in the holds or between the decks of steamers equipped in terms of the said parliamentary appropriation of last session; also a statement showing the comparative results in the transportation of apples between steamers equipped as above described and steamers without any special means of ventilation; and also a statement giving the names and owners of steamers which it is proposed to equip as aforesaid, for the approaching season, and giving the port of departure from Canada of such steamers as well as of those already equipped as aforesaid. Presented (Senate) 13th May, 1902.—*Hon. Mr. Ferguson* ..... *Not printed.*

102. Return to an order of the House of Commons, dated 15th May, 1902, for copies of all papers relating to preferential trade. Presented 15th May, 1902.—*Mr. Belcourt*..... *Not printed.*















REPORT  
OF THE  
SUPERINTENDENT OF INSURANCE  
OF THE  
DOMINION OF CANADA  
FOR THE  
YEAR ENDED DECEMBER 31,  
1901

*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

PRINTED BY S. E. DAWSON, PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY.

1902







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## OFFICE OF THE SUPERINTENDENT OF INSURANCE.

OTTAWA, July 2, 1902.

To the Honourable

W. S. FIELDING,

Minister of Finance.

SIR,—I have the honour herewith to submit the statements in detail of Insurance Companies for the year 1901, together with such an abstract and analysis of them as appeared proper to exhibit the progress of the business and the condition of the companies.

## FIRE AND INLAND MARINE INSURANCE, 1901.

During the year 1901 the business of fire insurance in Canada was carried on by 38 companies ; of these 9 were Canadian, 21 British and 8 American. Inland marine insurance was also transacted by 4 of them (2 Canadian and 2 American), and ocean marine by two of them (both Canadian). This list of companies differs from that of the previous year by the addition of one Canadian company, the Equity Fire. The Victoria-Montreal, which was included in the list of companies doing business in 1900, is now in liquidation. One British company (the British and Foreign Marine) is licensed to carry on the business of inland marine insurance and the business of insuring registered mail matter in transit from place to place in Canada, but did no inland marine business during 1901.

## FIRE PREMIUMS AND LOSSES IN CANADA IN 1901.

The cash received for premiums during the year in Canada has amounted to \$9,650,348, being greater than that received in 1900 by \$1,318,400 ; and the amount paid for losses has been \$6,774,956, which is less than that paid in 1900 by \$999,337. The ratio of losses paid to premiums received is shown in the following table :—

## FIRE Insurance in Canada in 1901.

	Paid for Losses.	Received for Premiums.	Rate of Losses paid per cent of Premiums received.	The same for 1900.
	\$	\$		
Canadian companies.. . . . .	1,009,899	1,727,410	58 46	78 00
British " . . . . .	4,889,192	6,595,447	74 13	94 34
American " . . . . .	875,865	1,327,491	65 98	104 95
Total.. . . . .	6,774,956	9,650,348	70 20	93 31



The corresponding results for the thirty-three years over which our records extend, are given below :—

FIRE Insurance in Canada.

	Premiums received.	Losses paid.	Rate of Losses Paid per cent of Premiums Received.
	\$	\$	
1869.....	1,785,539	1,027,720	57·56
1870.....	1,916,779	1,624,837	84·77
1871.....	2,321,716	1,549,199	66·73
1872.....	2,628,710	1,909,975	72·66
1873.....	2,968,416	1,682,184	56·67
1874.....	3,522,303	1,926,159	54·68
1875.....	3,594,764	2,563,531	71·31
1876.....	3,708,006	2,867,295	77·33
1877.....	3,764,005	8,490,919	225·58
1878.....	3,368,430	1,822,674	54·11
1879.....	3,227,488	2,145,198	66·47
1880.....	3,479,577	1,666,578	47·90
1881.....	3,827,116	3,169,824	82·83
1882.....	4,229,706	2,664,986	63·01
1883.....	4,624,741	2,920,228	63·14
1884.....	4,980,128	3,245,323	65·16
1885.....	4,852,460	2,679,287	55·22
1886.....	4,932,335	3,301,388	66·93
1887.....	5,244,502	3,403,514	64·90
1888.....	5,437,263	3,073,822	56·53
1889.....	5,588,016	2,876,211	51·47
1890.....	5,836,071	3,266,567	55·97
1891.....	6,168,716	3,905,697	63·31
1892.....	6,512,327	4,377,270	67·22
1893.....	6,793,595	5,052,690	74·37
1894.....	6,711,369	4,589,363	68·38
1895.....	6,943,382	4,993,750	71·92
1896.....	7,075,850	4,173,501	58·98
1897.....	7,157,661	4,701,833	65·69
1898.....	7,350,131	4,784,487	65·09
1899.....	7,910,492	5,182,038	65·51
1900.....	8,331,948	7,774,293	93·31
1901.....	9,650,348	6,774,956	70·20
Totals.....	166,443,890	116,187,297	69·81

Taking the totals for the same thirty-three years, according to the nationalities of the companies, the following are the results :—

FIRE Insurance in Canada for the thirty-three years—1869–1901.

	Premiums received.	Losses paid.	Rate of Losses paid per cent of Premiums received.
	\$	\$	
Canadian companies.....	37,952,772	26,568,096	70·00
British ".....	110,260,764	76,964,154	69·80
American ".....	18,230,354	12,655,047	69·42
Totals.....	166,443,890	116,187,297	69·81



SESSIONAL PAPER No. 8

The loss rate for 1901 does not differ to any material extent from the average loss rate for the thirty-three years over which our records extend.

Obtaining an approximation to the losses incurred during the year, by excluding the payments for losses outstanding at the beginning of the year, and including the amounts estimated for those of the year still unsettled, the ratio of the losses incurred to premiums received comes out 70·29 per cent, which is 26·71 per cent less than the 97·00 of the previous year and is 2·60 per cent greater than the average for the last fifteen years (67·69). The following are the rates of incurred losses from 1887 :—

—	1901.	1900.	1899.	1898.	1897.	1896.	1895.	1894.	1893.	1892.	1891.	1890.	1889.	1888.	1887.
Canadian.....	58·22	83·25	53·20	55·22	69·06	69·50	65·87	72·47	72·45	73·33	71·79	63·07	56·64	65·14	69·97
British .....	74·15	97·99	58·80	79·12	63·50	59·50	69·32	67·76	76·57	66·36	62·00	56·29	48·35	53·08	64·62
American .....	66·83	107·17	57·25	71·05	64·32	61·72	73·11	68·84	74·40	73·86	61·26	62·08	48·39	52·84	72·41
Totals.....	70·29	97·00	57·75	74·37	64·41	61·31	69·31	68·69	75·15	68·64	63·95	58·25	50·09	55·57	66·40

FIRE Insurance in Canada, 1901.

The gross amount of policies, new and renewed, taken during the year by fire companies was \$821,522,854, which is greater by \$18,094,200 than the amount taken in 1900. The premiums charged thereon amounted in 1901 to \$11,688,958·26, being \$1,657,222·92 greater than the amount charged the previous year. The rate of premiums (1·423) is much higher than that of 1900 (1·249). The loss rate (70·20) is 23·11 per cent less than the loss rate of the previous year (93·31) and only 0·39 per cent greater than the average loss rate (69·78) for the past thirty-three years.

The rate per cent of premiums charged upon risks taken is shown in the following table :—

—	Gross Amount of Risks taken during the year.	Premiums charged thereon.	Rate of Premiums charged per cent of Risks taken.	The same for 1900.	The same for 1899.	The same for 1898.	The same for 1897.
	\$	\$					
Canadian companies....	170,894,095	2,471,896 71	1·45	1·26	1·27	1·36	1·32
British " .....	542,142,232	7,656,309 78	1·41	1·24	1·22	1·23	1·23
American " ...	108,486,527	1,560,751 47	1·44	1·27	1·22	1·27	1·27
Totals.....	821,522,854	11,688,957 96	1·42	1·25	1·23	1·26	1·25

The increase in the amounts taken in 1901 as compared with 1900 among Canadian companies, is \$16,042,198. Among British companies there is an increase of \$1,693,252, and among American companies there is an increase of \$358,750.

In 1900 the increases in amount written among Canadian, British and American companies reporting to this office were \$24,342,702, \$15,468,638 and \$7,360,216 respectively.



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The details of the increase and decrease for the individual companies are as follows :—

## CANADIAN COMPANIES.

*Increase.*—Anglo-American, \$5,182,996 ; Equity Fire, \$10,247,461 ; London Mutual, \$6,295,909 ; Mercantile, \$653,324 ; Western, \$3,413,088. Total, \$25,792,778.

*Decrease.*—British America, \$758,844 ; Canadian Fire, \$1,115,527 ; Ottawa Fire, \$929,766 ; Quebec Fire, \$1,323,190 ; Victoria-Montreal, \$5,623,253. Total, \$9,750,580. Total increase, \$16,042,198. (Of these companies, the Equity Fire was first licensed in 1901, and the Victoria-Montreal did no new business after 1900.)

## BRITISH COMPANIES.

*Increase.*—Atlas, \$4,936,134 ; Commercial Union, \$850,295 ; Guardian, \$2,732,661 ; Law Union and Crown, \$776,130 ; London and Lancashire Fire, \$1,095,729 ; National of Ireland, \$4,552,969 ; Northern, \$1,802,366 ; Norwich Union, \$1,167,718 ; Royal, \$7,247,566 ; Scottish Union and National, \$4,704,813 ; Sun Fire, \$2,337,501. Total, \$32,203,882.

*Decrease.*—Alliance, \$3,099,593 ; Caledonian, \$313,473 ; Imperial, \$2,247,684 ; Lancashire, \$19,252,309 ; Liverpool and London and Globe, \$198,728 ; London Assurance, \$310,745 ; Manchester, \$2,323,600 ; North British and Mercantile, \$1,724,195 ; Phoenix of London, \$597,809 ; Union Assurance, \$445,494. Total, \$30,510,630. Total increase, \$1,693,252.

## AMERICAN COMPANIES.

*Increase.*—Insurance Co. of North America, \$347,291 ; Phenix of Brooklyn, \$2,099,460 ; Queen, of America, \$4,125,066. Total, \$6,571,817.

*Decrease.*—Ætna Fire, \$176,304 ; American Fire, \$2,510,475 ; Connecticut Fire, \$1,142,914 ; Hartford Fire, \$2,128,212 ; Phoenix of Hartford, \$255,162. Total, \$6,213,067. Total increase, \$358,750.

## PREMIUMS AND LOSSES COMPARED WITH RISKS.

The average rate of premium charged on each \$1,000 of risks taken in 1901 is \$14.228 as against \$12.486, which was the corresponding rate in 1900. The individual rates for the different companies will be found in the annexed table, and will be seen to vary a good deal, as might naturally be expected, considering the varieties of the business done by the companies.

The losses incurred (approximate) during the year, compared with the amount of risk current (taking for this the mean of the amounts in force at the beginning and end of the year), have been at the average rate of \$6.68 per \$1,000 current risk. The corresponding rates for 1882—3—4—5—6—7—8—9—90—1—2—3—4—5—6—7—8—9 \$5.68, \$5.56, \$5.37, \$4.54, \$5.48, \$5.70, \$4.70, \$4.19, \$4.84, \$5.33, \$5.61, \$6.17, \$5.50, \$5.75, \$5.15, \$5.38, \$6.20, \$4.99 and \$8.38, respectively.



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The losses are, however, as usual, distributed very unevenly among the different companies, as appears from the following, computed on the above basis ; where, for convenience of comparison, the corresponding rates for 1900 are appended within parentheses :—

London Mutual, \$2.51 (\$2.31) ; Mercantile Fire, \$4.15 (\$6.09) ; British America, \$4.82 (\$5.67) ; London and Lancashire Fire, \$5.34 (\$7.92) ; Royal, \$5.43 (\$6.41) ; Western, \$5.57 (\$4.16) ; Quebec, \$5.72 (\$8.37) ; North British and Mercantile, \$6.08 (\$8.85) ; Phoenix of Hartford, \$6.41 (\$7.37) ; Liverpool and London and Globe, \$6.49 (\$5.96) ; National of Ireland, \$6.68 (\$10.49) ; Queen, of America, \$6.83 (\$8.91) ; Hartford Fire, \$6.91 (\$13.65) ; Anglo-American, \$6.92 (\$10.29) ; Alliance, \$6.97 (\$12.20) ; Commercial Union, \$6.98 (\$7.07) ; London Assurance, \$6.99 (\$7.42) ; Ætna Fire, \$7.33 (\$14.74) ; Imperial, \$7.39 (\$9.84) ; Phoenix of London, \$7.49 (\$8.48) ; Insurance Co. of North America, \$7.52 (\$12.37) ; Northern, \$7.57 (\$6.66) ; Scottish Union and National, \$7.57 (\$5.69) ; Sun Fire, \$7.68 (\$8.71) ; Connecticut Fire, \$7.96 (\$8.14) ; Ottawa Fire, \$7.99 (\$11.05) ; Norwich Union, \$8.01 (\$9.41) ; Lancashire, \$8.05 (\$9.51) ; Law Union and Crown, \$8.15 (\$12.16) ; Canadian Fire, \$8.18 (\$12.91) ; Union Assurance, \$8.26 (\$11.78) ; Equity Fire, \$8.36 (\$.....) ; Caledonian, \$8.36 (\$10.51) ; Guardian, \$8.53 (\$9.22) ; Atlas, \$8.67 (\$10.49) ; Manchester, \$8.74 (\$13.15) ; Phenix of Brooklyn, \$9.19 (\$8.12) ; American Fire, \$13.68 (\$12.85).

The annexed table gives the gross amount of risks taken by the several companies during the year, and the premiums charged thereon, and also the distribution of losses, with the proportionate rate of premiums to risks, and the proportion of the amounts paid for losses to those received for premiums during the year. For convenience of comparison the rates of 1900 are appended. It must be noted that the premiums in the second column are those charged on the whole gross amount of risks taken by each company during the year.



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FIRE INSURANCE Done in Canada in 1901.

	Gross Amount of Risks taken during the Year.	Premiums charged thereon.	Rate of Premiums charged per cent of Risks taken.	The same for 1900.	Net Cash Paid during the Year for Losses.	Net Cash Received during the Year for Premiums.	Rate of Losses paid per cent of Pre- miums received.	The same for 1900.
Canadian Companies.	\$	\$ cts.			\$ cts.	\$ cts.		
Anglo-American.....	16,854,363	226,921 97	1·35	1·18	82,516 23	157,845 88	52·28	56·35
British America.....	33,797,718	488,226 57	1·44	1·21	209,468 40	350,232 51	59·81	92·03
Canadian Fire.....	8,796,918	167,387 27	1·90	1·49	66,747 32	134,572 15	49·60	69·31
Equity Fire .....	10,247,461	126,960 93	1·24	..	37,955 68	92,536 34	41·02	...
London Mutual.....	25,879,132	394,933 92	1·53	1·41	139,712 96	250,289 68	55·82	59·18
Mercantile.....	7,679,552	102,876 77	1·34	1·26	47,588 93	93,260 44	51·03	68·94
Ottawa Fire.....	13,042,256	195,373 95	1·50	1·04	84,582 74	130,532 72	64·80	40·56
Quebec .....	8,513,343	119,128 12	1·40	1·33	66,515 58	90,569 97	73·44	107·58
Western.....	46,083,352	650,087 21	1·41	1·24	274,810 59	427,570 75	64·27	89·77
Totals .....	170,894,095	2,471,896 71	1·45	1·26	1,009,898 43	1,727,410 44	58·46	78·00
British Companies.								
Alliance .....	12,964,454	134,144 22	1·03	1·03	150,163 00	105,468 98	142·38	160·68
Atlas .....	18,059,352	282,720 66	1·57	1·36	147,032 48	248,677 99	59·13	93·69
Caledonian .....	21,753,264	286,693 88	1·32	1·16	215,475 19	245,705 25	87·70	128·98
Commercial Union .....	35,997,644	500,002 68	1·39	1·24	281,721 34	424,009 22	66·44	80·71
Guardian .....	32,137,455	463,578 07	1·44	1·30	324,933 35	395,462 66	82·17	103·87
Imperial .....	23,287,352	349,455 85	1·50	1·31	216,794 57	306,499 24	70·73	104·66
Lancashire.....	9,135,321	128,848 01	1·41	1·33	206,041 64	132,030 38	156·06	89·34
Law Union and Crown..	6,112,200	89,298 83	1·46	1·33	41,995 14	63,829 69	65·79	67·47
Liverpool and London and Globe .....	33,095,251	441,342 31	1·33	1·20	343,102 93	399,352 04	85·91	81·58
London and Lancashire..	20,979,858	297,145 76	1·42	1·25	135,573 81	251,141 74	53·98	88·44
London Assurance.....	14,590,424	165,116 72	1·13	0·98	113,540 58	134,952 44	84·13	113·85
Manchester.....	18,993,713	267,499 23	1·41	1·31	204,758 94	220,291 09	92·95	143·73
National of Ireland .....	17,676,187	273,573 11	1·55	1·36	128,980 30	229,536 40	56·19	93·69
North British.....	41,630,828	551,753 51	1·33	1·16	354,205 49	505,535 78	70·07	115·88
Northern .....	25,666,058	362,641 44	1·41	1·24	242,011 90	326,193 56	74·19	70·24
Norwich Union .....	26,383,966	403,061 95	1·53	1·36	252,542 10	347,145 35	72·75	99·91
Phoenix of London .....	43,532,451	695,715 99	1·60	1·38	398,454 92	594,202 76	67·06	73·54
Royal .....	71,758,381	957,932 25	1·33	1·14	485,718 05	814,149 32	59·66	77·81
Scottish Union and Na- tional. ....	25,713,840	381,714 99	1·48	1·19	204,333 90	326,909 05	62·50	63·66
Sun Insurance Office.....	17,847,851	260,719 32	1·46	1·30	160,532 97	222,503 50	72·15	91·49
Union Assurance.. ..	24,826,382	363,351 00	1·46	1·26	281,280 04	301,850 87	93·19	98·40
Totals .....	542,142,232	7,656,309 78	1·41	1·24	4,889,192 64	6,595,447 31	74·13	94·34
American Companies.								
Ætna Fire.....	15,771,826	217,659 25	1·38	1·23	141,995 16	190,951 68	74·36	168·21
American Fire .....	2,553,822	36,932 97	1·45	1·29	25,070 30	.....	.....	85·72
Connecticut Fire .....	4,323,046	68,356 48	1·58	1·32	31,878 66	53,172 92	59·95	71·87
Hartford Fire.....	* 15,793,632	222,651 35	1·41	1·25	147,171 90	230,284 42	63·91	127·19
Insurance Co. of North America.....	14,857,356	200,077 80	1·35	1·15	110,442 21	167,106 85	66·09	125·95
Phenix of Brooklyn.....	12,494,126	180,331 02	1·44	1·32	97,916 97	147,378 87	66·44	57·19
Phoenix, of Hartford.....	10,545,342	152,733 28	1·45	1·33	80,225 00	126,764 15	63·29	72·87
Queen, of America. ....	32,147,377	482,009 32	1·50	1·30	241,165 34	415,541 01	58·04	85·45
Totals .....	108,486,527	1,560,751 47	1·44	1·27	875,865 54	1,327,491 06	65·98	104·95
Grand totals .....	821,522,854	11,688,957 96	1·42	1·25	6,774,956 61	9,650,348 81	70·20	93·38

\* Not including \$4,384,685 gross risks taken over from the American Fire, and \$36,377.98 unearned premiums thereon.  
† The amount paid for reinsuring amounting to \$3,708.84 more than the premiums collected in 1901.



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## BRITISH FIRE COMPANIES.

The total cash receipts from premiums were \$6,595,447, being an increase of \$749,426 as compared with the previous year ; the payments for losses were \$4,889,192 being \$626,040 less than for 1900 ; while the general expenses amounted to \$1,858,123, being \$161,858 greater than in 1900, thus leaving a balance of \$151,868, adverse to the companies. In the previous year there was a balance of \$1,365,476 adverse to the companies.

Paid for losses .....	\$ 4,889,192
do    /    general expenses .....	1,858,123
Total .....	<u>\$ 6,747,315</u>
Received for premiums .....	6,595,447
Balance adverse to the companies ....	<u>\$ 151,868</u>

The following detail gives the balances for the different companies :—

*Balances in favour.*—Atlas, \$36,697 ; Commercial Union, \$31,189 ; London and Lancashire Fire, \$45,061 ; National of Ireland, \$33,682 ; North British and Mercantile, \$18,048 ; Phoenix of London, \$33,559 ; Royal, \$105,226 ; Scottish Union and National, \$38,784 ; total, \$342,246.

*Adverse balances.*—Alliance, \$81,020 ; Caledonian, \$39,877 ; Guardian, \$45,886 ; Imperial, \$1,840 ; Lancashire, \$115,196 ; Law Union and Crown, \$692 ; Liverpool and London and Globe, \$54,524 ; London Assurance, \$21,340 ; Manchester, \$53,576 ; Northern, \$1,183 ; Norwich Union, \$13,496 ; Sun Fire, \$5,901 ; Union Assurance, \$59,583 ; total, \$494,114.

Total adverse balance, \$151,868.

For every \$100 of premiums received there were spent, on the average \$74.13 in payment of losses and \$28.17 for general expenses.

In 1900 the loss rate was \$94.34 and the general expenses \$29.02 for every \$100 of premiums received.

For the fire business the rate of premium was \$14.122 per \$1,000 of risks taken, as against \$12.415 in 1900.

Hence these companies have done a somewhat larger volume of business than in 1900, at a much higher rate of premium, a lower rate of expense, and at a much lower rate of loss.

Collecting the result for the twenty-seven years from 1875 to 1901, as regards the receipts for premiums and the expenditure of the British companies, we find :—

Paid for losses (1875–1901) .....	\$71,241,792
do    general expenses .....	27,353,392
Total payments .....	<u>\$98,595,184</u>
Received for premiums .....	102,107,820
Excess of receipts over expenses .....	<u>\$ 3,512,636</u>



It will be seen, from an examination of the table given below, that an adverse balance was in existence from the year 1877 till the end of the year 1886, due to the exceptional circumstances of the conflagration at St. John in the first mentioned year—when the losses paid by British companies amounted to almost five millions of dollars ; that such adverse balance was reversed at the end of the year 1887, when a favourable balance of \$341,938 was shown, and that this favourable balance increased thereafter, from year to year (with the exception of the year 1893) up to the close of 1899 when it amounted to \$5,029,980. In 1900 the loss by the British companies on account of the Ottawa and Hull conflagration amounted to over two and a half millions of dollars. To this is due the large deficit of that year, \$1,365,476, wiping out the savings of the preceding four years, and reducing the favourable balance at the end of 1900 to \$3,664,504, which sum has been still further reduced to \$3,512,636 at the end of 1901. If we take into consideration the increase in the unearned premiums from the end of 1875 to the end of 1901, which amounts to \$3,314,463, it will be seen that the actual earnings of these companies in Canada on their underwriting account for the past twenty-six years, have been less than \$200,000.

Year.	Balance.	Year.	Balance.
	\$		\$
1875.....	+ 51,765		
1876.....	+ 89,015	1875 to 1876	+ 140,780
1877.....	—4,210,951	1875 to 1877	— 4,070,171
1878.....	+ 676,458	1875 to 1878	— 3,393,713
1879.....	+ 210,430	1875 to 1879	— 3,183,283
1880.. ..	+ 727,389	1875 to 1880	— 2,455,894
1881.....	+ 161,162	1875 to 1881	— 2,294,732
1882.....	+ 481,511	1875 to 1882	— 1,813,221
1883.....	+ 439,797	1875 to 1883	— 1,373,424
1884.....	+ 443,919	1875 to 1884	— 929,505
1885.....	+ 674,984	1875 to 1885	— 254,521
1886.....	+ 237,216	1875 to 1886	— 17,305
1887.....	+ 359,243	1875 to 1887	+ 341,938
1888.....	+ 752,956	1875 to 1888	+ 1,094,894
1889.....	+ 918,128	1875 to 1889	+ 2,013,022
1890.....	+ 712,981	1875 to 1890	+ 2,726,003
1891.....	+ 470,014	1875 to 1891	+ 3,196,017
1892.....	+ 452,941	1875 to 1892	+ 3,648,958
1893.....	— 205,430	1875 to 1893	+ 3,443,528
1894.....	+ 172,105	1875 to 1894	+ 3,615,633
1895.....	+ 39,223	1875 to 1895	+ 3,654,856
1896 .. .	+ 709,118	1875 to 1896	+ 4,363,974
1897.....	+ 356,290	1875 to 1897	+ 4,720,264
1898.....	+ 140,610	1875 to 1898	+ 4,860,874
1899.. ..	+ 169,106	1875 to 1899	+ 5,029,980
1900.....	—1,365,476	1875 to 1900	+ 3,664,504
1901.....	— 151,868	1875 to 1901	+ 3,512,636

+ Favourable.      — Adverse.

As the reports of the general business of the British companies, which are appended to their several statements, are made up in a form not readily understood, except by an expert, I have this year, as in previous years, made an approximate analysis of them which will be found on page lxiv. Only two or three of these companies profess to make any special provision for the liability under the head of “Unearned Premiums,” but they set aside a certain sum under the title of “Fire Fund,” which is held to meet future contingencies, and is charged against the company as a liability. I have taken 60 per cent of the annual revenue from premiums as a fair approximation to the exact



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*pro rata* of the premiums on unexpired risks, which forms the basis of the item in our returns for Canadian business. Also, in cases where life insurance is combined with fire (the assets of these branches being required by the Imperial statute to be kept separately) I have omitted the life business entirely, considering that the life funds are more than sufficient to cover the liabilities in this branch, and thus making the results, as regards paid up capital, less favourable to the companies.

## AMERICAN FIRE COMPANIES.

The receipts for premiums (including the inland marine business of the *Ætna* Fire and the Insurance Company of North America) were \$1,334,024 ; the payments for losses, \$875,866 ; and the general expenses, \$377,960. Hence for every \$100 of premiums received there were spent on the average \$65.66 in payment of losses, and \$28.33 in general expenses.

The following detail gives the balances for the different companies :—

*Balances in favour.*—*Ætna* Fire, \$6,936 ; *Conneticut* Fire, \$7,784 ; *Hartford* Fire, \$20,521 ; Insurance Co. of North America, \$5,186 ; *Phenix* of Brooklyn, \$10,273 ; *Phoenix* of Hartford, \$4,384 ; *Queen*, \$60,586. Total, \$115,670.

*Adverse balances.*—*American* Fire, \$35,472. Total balance in favour, \$80,198.

The results of the total business of these companies, from 1875 to 1901 inclusive, are as follows :—

Paid for losses (1875-1901).....	\$ 11,968,155
"      general expenses .....	4,613,915
	<hr/>
Total payments.....	\$ 16,582,070
Received for premiums .....	17,238,040
	<hr/>
Excess of receipts over payments.....	\$    655,970
	<hr/>



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The table given below shows the result of the business of each year from 1875 to 1901 inclusive, and the total results from year to year during the same period.

Year.	Balance.	Years inclusive.	Balance.
	\$		\$
1875.....	+ 58,841		
1876.....	+ 97,919	1875 to '76	+ 156,760
1877.....	— 396,468	1875 to '77	— 239,708
1878.....	+ 47,399	1875 to '78	— 192,309
1879.....	+ 32,894	1875 to '79	— 159,415
1880.....	+ 56,316	1875 to '80	— 103,099
1881.....	+ 53,747	1875 to '81	— 49,352
1882.....	+ 62,244	1875 to '82	+ 12,892
1883.....	+ 102,135	1875 to '83	+ 115,027
1884.....	+ 91,136	1875 to '84	+ 206,163
1885.....	+ 100,784	1875 to '85	+ 306,947
1886.....	+ 91,096	1875 to '86	+ 398,043
1887.....	— 49	1875 to '87	+ 397,994
1888.....	+ 102,288	1875 to '88	+ 500,282
1889.....	+ 97,488	1875 to '89	+ 597,770
1890.....	+ 54,404	1875 to '90	+ 652,174
1891.....	+ 72,378	1875 to '91	+ 724,552
1892.....	— 16,487	1875 to '92	+ 708,065
1893.....	— 42,205	1875 to '93	+ 665,860
1894.....	+ 7,392	1875 to '94	+ 673,252
1895.....	— 53,047	1875 to '95	+ 620,205
1896.....	+ 96,621	1875 to '96	+ 716,826
1897.....	+ 51,695	1875 to '97	+ 768,521
1898.....	+ 91,807	1875 to '98	+ 860,328
1899.....	+ 100,740	1875 to '99	+ 961,068
1900.....	— 385,296	1875 to '00	+ 575,772
1901.....	+ 80,198	1875 to '01	+ 655,970

+ Favourable. — Adverse.

Here again, taking into account the increase in the reserve of unearned premiums (\$735,940) between the years 1875 and 1901, it will be seen that there has been an actual loss upon the underwriting business of American Fire companies in Canada for the past twenty-six years of about \$80,000.

#### CANADIAN FIRE COMPANIES.

In considering the Canadian companies, their whole fire insurance business, in Canada and elsewhere, as well as their whole marine business, must be taken into account, inasmuch as a separation of expense between these branches has not been made.

The following table gives the distribution of fire business between Canada and elsewhere, for the five companies transacting business outside of Canada and shows that the home business has been, on the whole, less favourable to the companies than the foreign business.



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FIRE INSURANCE, 1901.

COMPANIES.	IN CANADA.				IN OTHER COUNTRIES.			
	Amount of Risks taken during the year.	Premiums received	Losses paid.	Rate of Losses paid per cent of Premiums received.	Amount of Risks taken during the year.	Premiums received	Losses paid.	Rate of Losses paid per cent of Premiums received.
	\$	\$	\$		\$	\$	\$	
British America.....	33,797,718	350,233	209,468	59·81	160,213,350	1,202,866	794,248	66·03
Canadian.....	8,796,918	134,572	66,747	49·51	1,283,273	11,947	1,868	15·64
Ottawa.....	13,042,256	130,532	84,583	64·80	354,840	3,433	.....	.....
Quebec.....	8,513,343	90,570	66,516	73·44	2,386,428	26,315	22,154	84·19
Western..	46,083,352	427,571	274,811	64·27	317,470,202	2,076,917	1,324,541	63·77
Total.....	110,233,587	1,133,478	702,125	61·94	481,708,093	3,321,478	2,142,811	64·51

The subjoined table gives the rate per cent of losses paid, as compared with premiums received, upon business done in Canada and other countries by Canadian companies, during the years 1878 to 1901 inclusive, a perusal of which will show that, taken over the whole period, the Canadian business has been more favourable to the companies than the business transacted in other countries :—

YEAR.	IN CANADA.			IN OTHER COUNTRIES.		
	Premiums received	Losses paid.	Rate per cent of losses paid as compared with premiums received.	Premiums received	Losses paid.	Rate per cent of losses paid as compared with premiums received.
	\$	\$		\$	\$	
1878.....	591,495	241,545	40·84	1,251,923	737,430	58·90
1879.....	552,090	287,729	52·12	1,309,902	923,242	70·48
1880.....	459,653	219,954	47·85	1,377,310	885,293	64·28
1881.....	428,795	304,488	71·01	1,439,085	1,085,846	75·45
1882.....	543,126	334,000	61·50	1,413,989	1,137,399	80·44
1883.....	606,557	436,800	72·01	1,483,941	1,136,380	76·58
1884.....	550,188	376,969	68·52	1,401,051	1,122,882	80·15
1885.....	983,555	518,633	52·73	1,485,078	1,051,090	70·78
1886.....	996,562	655,534	65·78	1,499,840	1,049,575	69·98
1887.....	1,002,817	661,682	65·98	1,496,712	1,037,123	69·29
1888.....	1,002,109	655,191	65·38	1,453,410	1,008,509	69·39
1889.....	1,014,314	586,164	57·79	1,527,909	1,012,624	66·28
1890.....	1,018,226	604,846	59·40	1,584,879	910,511	57·45
1891.....	1,102,237	780,862	70·84	1,662,538	1,165,583	70·11
1892.....	629,708	485,446	77·09	1,907,652	1,191,545	62·46
1893.....	621,135	427,349	68·80	2,356,413	1,560,592	66·23
1894.....	626,768	423,777	67·61	2,303,219	1,442,596	62·63
1895.....	785,416	499,472	63·59	2,566,980	1,462,849	56·99
1896.....	782,956	460,236	58·78	2,487,459	1,446,314	58·14
1897.....	725,775	529,597	72·97	2,399,542	1,263,368	52·65
1898.....	783,326	392,821	50·15	2,260,724	1,464,544	64·78
1899.....	836,601	462,726	55·31	2,264,877	1,568,496	69·25
1900.....	689,956	658,405	95·43	2,804,896	1,969,862	70·23
1901.....	1,133,478	702,125	61·94	3,321,478	2,142,811	64·51
Total...	18,466,843	11,706,351	63·39	45,060,807	29,776,464	66·08



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The assets of the nine Canadian companies doing fire business amounted, at the end of the year, to \$6,586,393, covering a total amount of insurance of all kinds of \$664,500,402, being at the rate of \$9.91 for every \$1,000 of insurance in force ; they have also a reserve of subscribed capital not called up, amounting to \$2,101,680, making a total security of \$13.07 for every \$1,000 insured. The liabilities of the same companies amounted to \$4,319,437, made up as follows :—

Unsettled losses.....	\$ 419,102
Unearned premiums.....	3,840,147
Sundry .....	60,188
Total.....	<u>\$ 4,319,437</u>

The unearned premiums are here taken to be the *pro rata* proportions of the gross premiums for the time unexpired in the cases of Fire and Inland Marine insurance, and the whole premium in the case of a current Ocean risk. The surplus of assets over liabilities available for the protection of policy-holders, independent of the reserve of subscribed capital not called up, amounts to \$2,266,956.

The capital stock of these companies paid up or in course of payment, amounts to \$3,445,420.

The following table gives the condition at the end of 1901 of all the Canadian stock companies in reference to the surplus on account of policy-holders.

FIRE and Marine Insurance Companies, December 31, 1901.

	Subscribed Capital.	Capital paid up.	Excess of Assets over Liabilities, excluding Capital Stock.	Reserve of Subscribed Capital not called up.
	\$	\$	\$ cts.	\$
Anglo-American.....	472,100	85,160	38,752 90	386,940
British America.....	1,000,000	1,000,000	505,682 95	None
Canadian Fire.....	500,000	109,890	155,125 12	390,110
Equity .....	500,000	50,000	26,686 83	450,000
London Mutual .....	100,000	10,000	53,853 49	90,000
Mercantile Fire.....	250,000	50,000	154,609 41	200,000
Ottawa Fire.....	500,000	100,000	35,652 28	400,000
Quebec.....	225,000	*100,000	67,700 00	125,000
Western .....	2,000,000	1,940,370	1,228,893 24	59,630
Total.....	5,547,100	3,445,420	2,266,956 22	2,101,680

\* As reduced by Act of Parliament.



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A comparison of this with the figures for the previous year shows the following results :—

Gain or improvement during 1901 :—Canadian Fire, \$19,916.89 ; London Mutual, \$22,951.40 ; Mercantile Fire, \$19,523.51.

Loss or deterioration during 1901 :—Anglo-American, \$6,104.88 ; British America, \$66,800.34 ; Ottawa Fire, \$32,976.41 ; Quebec Fire, \$3,982.07 ; Western, \$239,734.44.

Including the whole business of the mixed companies, as well outside as within the Dominion, it appears that the Canadian companies have received during the year 1901 a total cash income of \$6,469,140.24, which is made up as follows :—

	1901.	The same in 1900.	The same in 1899.	The same in 1898.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Premiums . . . . .	6,286,942 01	5,345,803 78	4,430,792 71	4,157,139 74
Interest and dividends . . . . .	164,488 52	135,529 30	128,389 00	134,006 75
Sundry . . . . .	17,709 71	32,559 76	5,379 62	5,897 89
Total . . . . .	6,469,140 24	5,513,892 84	4,564,561 33	4,297,044 38

In the same way the cash expenditure during 1901 has been \$6,304,161.40, distributed into :—

	1901.	The same in 1900.	The same in 1899.	The same in 1898.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
Losses paid . . . . .	4,065,778 01	3,828,359 85	3,063,716 43	2,700,774 91
General expenses . . . . .	2,032,419 20	1,921,904 32	1,524,637 05	1,394,742 19
Dividends to stockholders . . . . .	205,964 19	159,674 98	166,853 81	164,092 45
Total . . . . .	6,304,161 40	5,909,939 15	4,755,207 29	4,259,609 55

Thus it appears that for every \$100 of income there has been spent \$97.45, namely : for losses, \$62.85 ; for general expenses, \$31.42 ; and for dividends to stockholders, \$3.18. Hence, also, for every \$100 of premiums received there has been paid out \$64.67 for losses, \$32.33 for expenses, and \$3.28 for dividends to stockholders.



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The total cash income received by the Canadian companies during the twenty-seven years from 1875 to 1901 inclusive, is \$104,894,855.29. The respective amounts for the several years, and the distribution thereof under proper headings, are shown in the subjoined table :—

CANADIAN COMPANIES—INCOME FOR THE YEARS 1875 TO 1901.

Year.	Premiums.	Interest and dividends.	Sundry.	Total.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
1875.....	3,273,692 53	190,950 19	3,356 10	3,467,998 82
1876.....	4,125,722 37	244,001 25	7,186 08	4,376,909 70
1877.....	3,512,673 47	218,770 38	6,236 04	3,737,679 89
1878.....	2,826,356 58	217,133 43	15,750 26	3,059,240 27
1879.....	2,863,826 01	185,247 30	10,196 03	3,059,269 34
1880.....	3,208,038 89	179,533 29	19,916 66	3,407,488 84
1881.....	3,131,925 97	169,392 14	30,702 06	3,332,020 17
1882.....	3,007,132 65	153,878 46	27,386 28	3,188,397 39
1883.....	3,005,945 52	132,126 05	30,438 85	3,168,510 42
1884.....	2,990,995 28	117,679 52	16,286 55	3,124,961 35
1885.....	3,089,381 09	107,151 57	16,044 77	3,212,577 43
1886.....	3,090,851 40	113,394 35	25,828 55	3,230,074 30
1887.....	3,346,968 91	114,522 46	18,398 62	3,479,889 99
1888.....	3,348,045 64	119,815 97	16,567 79	3,484,429 40
1889.....	3,539,640 73	119,929 14	12,420 02	3,671,989 89
1890.....	3,603,151 65	135,874 52	14,287 16	3,753,313 33
1891.....	3,586,851 72	134,421 14	12,208 29	3,733,481 15
1892.....	3,579,893 51	117,770 41	83,291 41	3,780,955 33
1893.....	4,143,323 99	139,080 23	*205,621 62	4,488,025 84
1894.....	4,142,923 05	140,213 35	6,025 87	4,289,162 27
1895.....	4,408,191 57	139,458 16	6,773 90	4,554,423 63
1896.....	4,168,663 92	132,581 62	6,289 09	4,307,534 63
1897.....	4,007,110 65	128,385 56	6,386 91	4,141,883 12
1898.....	4,157,139 74	134,006 75	5,897 89	4,297,044 38
1899.....	4,430,792 71	128,389 00	5,379 62	4,564,561 33
1900.....	5,345,803 78	135,529 30	32,559 76	5,513,892 84
1901.....	6,286,942 01	164,488 52	17,709 71	6,469,140 24
Total .....	100,221,985 34	4,013,724 06	659,145 89	104,894,855 29

\* Of this amount \$197,500 was premium upon the new stock issued by the British America and the Western.



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The expenditure of the same companies during the same period of twenty-seven years amounted in the aggregate to the sum of \$106,499,412.30, thus showing an excess of expenditure over income to the amount of \$1,604,557.01. The amounts expended in the respective years, and their distribution under proper headings, are given in the following table :—

EXPENDITURE FOR THE YEARS 1875 TO 1901.

Year.	Losses Paid.	General Expenses	Dividends to Shareholders.	Total Expenditure.	<i>c</i> Excess of Income over Expenditure. — <i>d</i> The Reverse.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
1875.....	1,694,885 99	985,926 28	159,608 88	2,840,421 15	<i>c</i> 627,577 67
1876.....	2,746,563 00	1,342,268 96	213,655 04	4,302,487 00	<i>e</i> 74,422 70
1877.....	3,555,283 21	1,234,552 83	125,928 21	4,915,764 25	<i>d</i> 1,178,084 36
1878.....	1,891,130 71	1,026,354 51	146,163 83	3,063,649 05	<i>d</i> 4,408 78
1879.....	1,966,854 83	938,436 79	159,253 74	3,064,545 36	<i>d</i> 5,276 02
1880.....	2,236,943 54	889,409 73	164,650 50	3,291,003 77	<i>e</i> 116,485 07
1881.....	2,898,045 45	901,679 10	145,137 85	3,944,862 40	<i>d</i> 612,842 23
1882.....	2,294,212 90	917,526 03	110,813 47	3,322,552 40	<i>d</i> 134,155 01
1883.....	2,291,429 02	925,970 41	110,480 00	3,327,879 43	<i>d</i> 159,369 01
1884.....	2,165,708 63	871,037 06	102,675 50	3,139,421 19	<i>d</i> 14,459 84
1885.....	1,985,256 67	917,879 59	99,896 73	3,003,032 99	<i>e</i> 209,514 44
1886.....	2,128,942 82	926,299 50	114,809 02	3,170,051 34	<i>e</i> 60,022 96
1887.....	2,397,382 03	1,031,696 74	123,422 74	3,552,501 51	<i>d</i> 72,611 52
1888.....	2,355,960 53	1,009,167 74	122,198 27	3,487,326 54	<i>d</i> 2,897 14
1889.....	2,417,046 62	1,064,557 52	126,759 42	3,608,363 56	<i>e</i> 63,626 33
1890.....	2,254,866 61	1,114,472 16	135,689 92	3,505,028 69	<i>e</i> 248,284 64
1891.....	2,588,894 16	1,198,806 97	145,256 90	3,932,958 03	<i>d</i> 199,476 88
1892.....	2,454,821 80	1,440,994 51	128,372 23	4,024,188 54	<i>d</i> 243,233 21
1893.....	2,911,005 90	1,402,862 69	112,163 43	4,426,032 02	<i>e</i> 61,993 82
1894.....	2,749,953 12	1,389,355 44	157,025 56	4,296,334 12	<i>d</i> 7,171 85
1895.....	2,986,323 54	1,451,684 01	162,167 30	4,600,174 85	<i>d</i> 45,751 22
1896.....	2,777,327 97	1,417,637 39	162,610 10	4,357,575 46	<i>d</i> 50,040 83
1897.....	2,529,432 31	1,402,470 67	162,438 28	4,094,341 26	<i>e</i> 47,541 86
1898.....	2,700,774 91	1,394,742 19	164,092 45	4,259,609 55	<i>e</i> 37,434 83
1899.....	3,063,716 43	1,524,637 05	166,853 81	4,755,207 29	<i>d</i> 190,645 96
1900.....	3,828,359 85	1,921,904 32	159,674 98	5,909,939 15	<i>d</i> 396,046 31
1901.....	4,065,778 01	2,032,419 20	205,964 19	6,304,161 40	<i>e</i> 164,978 84
Total. ....	69,936,900 56	32,674,749 39	3,887,762 35	106,499,412 30	<i>d</i> 1,604,557 01

CANADIAN FIRE COMPANIES IN FOREIGN FIELDS.

The undermentioned Canadian Fire Insurance Companies carry on business outside Canada in the several countries, states, &c., set opposite their respective names, viz. :—

Name of Company.	Name of Countries, States, &c.
British America Assurance Company ..	The States of Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, Newfoundland, Mexico and the Hawaiian Islands.
Canadian Fire Insurance Company.....	Newfoundland.
Ottawa Fire Insurance Company. ....	Newfoundland.
Western Assurance Company.....	Newfoundland, British West Indies and the United States. The company also has a branch office in London, England, through which business is transacted in Great Britain and the British possessions in the far east, as well as at some points on the continent of Europe.



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## INLAND NAVIGATION AND OCEAN INSURANCE, 1901.

Inland Marine insurance is carried on in Canada by two Canadian companies (the British America and Western), and to a very limited extent by two American companies (the *Ætna Fire*, and the Insurance Company of North America). Ocean business is transacted by the two Canadian companies, but the greater part of this business is transacted by companies which are not required to be licensed, and do not report to this Department.

The figures given below include the Canadian inland marine business of the two American companies, and the whole inland marine and ocean business done by the two Canadian companies.

## INLAND MARINE.

The premiums received amounted to \$556,933, the losses incurred to \$381,374, and the losses paid to \$376,667. At the end of the year the losses unsettled were \$34,512.

The inland marine business has been less favourable than the year previous. The losses incurred amounted to 68·48 per cent of the premiums received. The rates for 1899 and 1900 were 73·90 and 54·83 respectively.

## OCEAN MARINE.

The premiums received amounted to \$687,654, the losses incurred to \$542,702, and the losses paid to \$536,402. At the end of the year the total outstanding or unsettled losses were \$47,039.

In the ocean business the rate of losses incurred to premiums received was 78·92 per cent, whilst in 1899 and in 1900 the rates were 80·16 and 83·39, respectively.

An abstract of the inland marine business will be found on page lxxv, and details of this and the ocean business for the individual companies on pages lxii and lxiii.

## LIFE INSURANCE, 1901.

The business of life insurance was transacted by thirty-six active companies of which nineteen are Canadian, eight British and nine American.

*Insurances Effected during the Year.*

The total amount of policies in Canada taken during the year 1901, was \$73,899,228 which is greater than the amount taken in 1900 by \$5,003,136. The Canadian companies show a decrease in 1901 of \$247,202, whilst in 1900 they had a decrease of \$3,592,179; the American companies have an increase of \$5,909,292, whilst in 1900 they had an increase of \$5,117,668; and the British companies have a decrease of \$658,954, whilst in 1900 they had a decrease of \$30,130, the total increase in 1901 being \$5,003,136, as above stated.

In the ordinary policies taken by the American companies there was a decrease of \$1,994,584, and in the industrial policies an increase of \$7,903,876. This large increase was to a certain extent caused by the Metropolitan Life taking over the risks of 'La Canadienne,' a company doing an industrial insurance business in the Province of Quebec.



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The respective amounts effected are :—

Canadian companies	.....	\$38,298,747
British	"	3,059,043
American	"	32,541,438

So that the amount taken by native companies exceeds that taken by the British and American together by about \$2,700,000.

Life Insurance in Force in 1901.

The total amount of insurance in force at the close of the statements was \$463,769,034, which shows the large increase of \$32,699,188 over that of the previous year, being distributed as follows :—

	Total in Force.	Increase.
Canadian companies	\$ 284,684,621	\$17,533,535
British	" 40,216,186	730,842
American	" 138,868,227	14,434,811
Total	\$ 463,769,034	\$32,699,188

The following tables will enable the progress of the total business to be traced during the past twenty-seven years, both as regards the amount of insurances effected from year to year, and the total amount in force :—

AMOUNTS of Insurance effected in Canada during the respective Years 1875–1901.

Year.	Canadian Companies.	British Companies	American Companies.	Total.
	\$	\$	\$	\$
1875.....	5,077,601	1,689,833	8,306,824	15,074,258
1876.....	5,465,966	1,683,357	6,740,804	13,890,127
1877.....	5,724,648	2,142,702	5,667,317	13,534,667
1878.....	5,508,556	2,789,201	3,871,998	12,169,755
1879.....	6,112,706	1,877,918	3,363,600	11,354,224
1880.....	7,547,876	2,302,011	4,057,000	13,906,887
1881.....	11,158,479	2,536,120	3,923,412	17,618,011
1882.....	11,855,545	2,833,250	5,423,960	20,112,755
1883.....	11,883,317	3,278,008	6,411,635	21,572,960
1884.....	12,926,265	3,167,910	7,323,737	23,417,912
1885.....	14,881,695	3,950,647	8,332,646	27,164,988
1886.....	19,289,694	4,054,279	11,827,375	35,171,348
1887.....	23,505,549	3,067,040	11,435,721	38,008,310
1888.....	24,876,259	3,985,787	12,364,483	41,226,529
1889.....	*26,438,358	3,399,313	14,719,266	*44,556,937
1890.....	23,541,404	3,390,972	13,591,080	40,523,456
1891.....	21,904,302	2,947,246	13,014,739	37,866,287
1892.....	25,585,534	3,625,213	15,409,266	44,620,013
1893.....	28,089,437	2,967,855	14,145,555	45,202,847
1894.....	28,670,364	3,214,216	17,640,677	49,525,257
1895.....	27,909,672	3,337,638	13,093,888	44,341,198
1896.....	26,171,830	2,869,971	13,582,769	42,624,570
1897.....	30,351,021	2,778,510	15,138,134	48,267,665
1898.....	35,043,182	3,323,107	16,398,384	54,764,673
1899.....	42,138,128	3,748,127	21,514,478	67,400,733
1900.....	38,545,949	3,717,997	26,632,146	68,896,092
1901.....	38,298,747	3,059,043	32,541,438	73,899,228
Total.....	558,502,084	81,737,271	326,472,332	966,711,687

\* Including 20 months' business in the Canada Life.



AMOUNTS of Insurance in force in Canada, 1875-1901.

Year.	Canadian Companies.	British Companies.	American Companies.	Total.
	\$	\$	\$	\$
1875.....	21,957,296	19,455,607	43,596,361	85,009,264
1876.....	24,649,284	18,873,173	40,728,461	84,250,918
1877.....	26,870,224	19,349,204	39,468,475	85,687,903
1878.....	28,656,556	20,078,533	36,016,848	84,751,937
1879.....	33,246,543	19,410,829	33,616,330	86,273,702
1880.....	37,838,518	19,789,863	33,643,745	91,272,126
1881.....	46,041,591	20,983,092	36,266,249	103,290,932
1882.....	53,855,051	22,329,368	38,857,629	115,042,048
1883.....	59,213,699	23,511,712	41,471,554	124,196,875
1884.....	66,519,958	24,317,172	44,616,596	135,453,726
1885.....	74,591,139	25,930,272	49,440,735	149,962,146
1886.....	88,181,859	27,225,607	55,908,230	171,315,696
1887.....	101,796,754	28,163,329	61,734,187	191,694,270
1888.....	114,034,279	30,003,210	67,724,094	211,761,583
1889.....	125,125,692	30,488,618	76,348,392	231,963,702
1890.....	135,218,990	31,613,730	81,599,847	248,421,567
1891.....	143,368,817	32,407,937	85,698,475	261,475,229
1892.....	154,709,077	33,692,706	90,708,482	279,110,265
1893.....	167,475,872	33,543,884	94,602,966	295,622,722
1894.....	177,511,846	33,911,885	96,737,705	308,161,436
1895.....	188,326,057	34,341,172	96,590,352	319,257,581
1896.....	195,303,042	34,837,448	97,660,009	327,800,499
1897.....	208,655,459	35,293,134	100,063,684	344,012,277
1898.....	226,209,636	36,606,195	105,708,154	368,523,985
1899.....	252,201,516	38,025,948	113,943,209	404,170,673
1900.....	267,151,086	39,485,344	124,433,416	431,069,846
1901.....	284,684,621	40,216,186	138,868,227	463,769,034

Amount of Insurance terminated in 1901.

The amount of insurance terminated in natural course, namely, by death, maturity or expiry, was \$8,526,185, which is greater by \$573,353 than the corresponding amount in the previous year ; and the amount terminated by surrender and lapse was \$33,055,153, being greater than in the previous year by \$3,203,237.

Relatively to the amounts at risk the amounts so terminated do not differ to any material extent from those of the previous year, giving for every \$1,000 of current risk \$18.22, terminated in natural course and \$70.63 by surrender and lapse, making a total of \$88.85. In the year 1900 these rates were \$18.13 and \$68.06 respectively, making a total of \$86.19, thus giving a difference of only \$2.66 for each \$1,000 at risk.

The following table exhibits the rates for the last five years :—

TERMINATED out of each \$1,000 current risk

	Naturally.					Surrender and Lapse.				
	1897.	1898.	1899.	1900.	1901.	1897.	1898.	1899.	1900.	1901.
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Canadian companies.....	14 97	13 47	13 74	13 80	14 40	70 46	63 58	64 94	59 29	58 34
British ".....	19 73	21 44	21 76	23 46	22 90	44 27	45 25	35 37	37 93	48 01
American ".....	28 14	26 03	28 09	25 69	24 62	99 10	81 14	88 43	96 20	102 22



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The total termination amounts to about 56·27 per cent of the amount of new policies. The actual amounts of termination were distributed as follows :—

	Naturally.	By Surrender and Lapse.
	\$	\$
Canadian companies .....	4,123,248	16,702,765
British " .....	939,263	1,969,237
American " .....	3,463,674	14,383,151
Total .....	8,526,185	33,055,153

The details of the individual companies will be found on page xc.

Canadian Policies in Force.

Omitting the industrial policies of the London Life and the Metropolitan, the thrift policies of the Sun Life, the monthly policies of the Excelsior and the provident policies of the North American, the following table gives the numbers and amounts of policies in Canada and the average amount of a policy in force at the date of the statements :—

	Number.	Amount.	Average Amount of a Policy.
		\$	\$
Canadian companies.. ..	183,242	279,341,833	1,524
British " .....	20,288	40,216,186	1,982
American " .....	67,486	119,990,290	1,778
Total.... ..	271,016	439,548,309	1,622

The average amount of *new* policies is, for Canadian companies \$1,435 ; for British companies, \$1,765 ; and for American, \$1,518. The corresponding amounts last year were \$1,490, \$1,842 and \$1,825.

DEATH RATE.

In the calculation of the death rate this year, as in previous years, the mean number of policies in force, and the number of policies terminated by death during the year have been admitted as approximations to the mean number of lives exposed to risk, and the number of deaths during the year, respectively. It is believed that the



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results arrived at represent the actual mortality among insured lives in Canada as accurately as can be gathered from the returns of the companies.

	1901.		1901.	1900.	1899.	1898.	1897.	1896.	1895.	1894.	1893.	1892.
	Number of lives exposed to risk.	Number of deaths.	Death Rate.	Death Rate.	Death Rate.	Death Rate.	Death Rate.	Death Rate.	Death Rate.	Death Rate.	Death Rate.	Death Rate.
Active companies....	439,396	4,927	11·213	11·226	10·733	10·549	10·907	10·095	11·166	10·327	10·176	10·676
Assessment com- panies.	104,286	867	8·314	7·985	7·352	7·818	7·507	6·798	8·654	8·101	9·407	8·946
Retired companies ..	3,527	143	40·544	40·182	35·733	33·560	26·747	32·969	30·235	26·449	22·574	26·512
Total .....	547,209	5,937	10·850	10·770	10·197	10·113	10·205	9·261	11·092	10·340	10·364	10·860

PREMIUM INCOME during the respective Years 1875–1901.

Year.	Canadian Companies.	British Companies.	American Companies.	Total.
	\$	\$	\$	\$
1875.....	707,256	623,296	1,551,835	2,882,387
1876.....	768,543	597,155	1,437,612	2,803,310
1877.....	770,319	577,364	1,299,724	2,647,407
1878.....	827,098	586,044	1,197,535	2,610,677
1879.....	919,345	565,875	1,121,537	2,606,757
1880.....	1,039,341	579,729	1,102,058	2,721,128
1881.....	1,291,026	613,595	1,190,068	3,094,689
1882.....	1,562,085	674,362	1,308,158	3,544,605
1883.....	1,652,543	707,468	1,414,738	3,774,749
1884.....	1,869,100	744,227	1,518,991	4,132,318
1885.....	2,092,986	803,980	1,723,012	4,619,978
1886.....	2,379,238	827,848	1,988,634	5,195,720
1887.....	2,825,119	890,332	2,285,954	6,001,405
1888.....	3,166,883	928,667	2,466,298	6,561,848
1889.....	*4,459,595	979,847	2,785,403	*8,224,845
1890.....	3,921,137	1,022,362	3,060,652	8,004,151
1891.....	4,258,926	1,030,479	3,128,297	8,417,702
1892.....	4,729,940	1,088,816	3,251,598	9,070,354
1893.....	5,156,008	1,073,541	3,403,230	9,632,779
1894.....	5,435,031	1,079,330	3,394,914	9,909,275
1895.....	5,702,783	1,137,366	3,452,205	10,292,354
1896.....	6,075,454	1,137,607	3,389,605	10,602,666
1897.....	6,598,012	1,174,732	3,443,074	11,215,818
1898.....	7,107,073	1,210,601	3,676,490	11,994,164
1899.....	7,805,174	1,276,229	3,957,304	13,038,707
1900.....	9,373,405	1,372,355	4,261,181	15,006,941
1901.....	9,133,890	1,346,666	4,709,298	15,189,854
Total.....	101,627,310	24,649,873	67,519,405	193,796,588

\*Including 20 months' business of the Canada Life.



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The total amount paid to policy-holders during 1901 was as follows :—

Death claims (including bonus additions).....	\$5,430,872 30
Matured endowment (including bonus additions)....	1,829,219 95
Annuitants.. ..	161,811 51
Paid for surrendered policies.....	815,768 98
Dividends to policy-holders.....	755,452 72
Total.....	<u>\$8,993,125 46</u>

The distribution of payments among the different companies will be found on page lxxxix.

Hence, for every \$100 premiums received, there has been paid to policy-holders \$52.49, leaving \$47.51 to be carried to reserve, expense and profits.

Including the business done outside of Canada by the Canadian companies, the following table shows the total premium income and payments to policy-holders of all companies, other than assessment companies, doing life insurance business in Canada, for the last twenty-three years, and also the ratio of payments to policy-holders to premiums received.

Year.	Premium Income.	Payments to Policy-holders	Rate of Payments to Policy- holders per cent of Premiums.
	\$	\$	
1879.....	2,606,756	1,301,480	49·93
1880.....	2,691,128	1,389,986	51·65
1881.. .	3,094,689	1,879,240	60·72
1882. . .	3,544,603	1,946,444	54·91
1883.....	3,861,179	2,201,152	57·01
1884.. .	4,195,726	2,073,395	49·42
1885.. .	4,684,409	2,544,101	54·31
1886.. .	5,298,596	2,851,981	53·83
1887.. .	6,105,474	3,235,205	52·99
1888.....	6,655,762	3,440,729	51·70
1889.....	8,336,167	3,942,590	47·30
1890.....	8,131,852	4,445,668	54·67
1891.....	8,667,609	4,911,485	56·66
1892.....	9,347,131	5,452,151	58·33
1893.....	9,952,833	5,133,284	51·58
1894.....	10,345,919	5,516,929	53·32
1895.....	10,887,501	5,862,447	53·85
1896 .. .	11,469,040	6,506,096	56·73
1897.....	12,197,626	7,076,962	58·02
1898.. .	13,190,742	6,782,006	51·41
1899.. .	14,490,102	7,680,959	53·01
1900.....	16,633,142	9,232,061	55·50
1901.....	17,130,456	8,993,125	52·49
Total .....	193,518,442	104,399,476	53·95

Collecting the results for the twenty-three years, 1879 to 1901, we find that the total payments to policy-holders amount to 53·95 per cent of the premium income during the said period.

The subjoined table shows the total premium income and payments to policy-holders, during the last twenty-three years, of the life insurance companies which have



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ceased to do new business in Canada, and also the ratio of payments to policy-holders to premiums received.

Year.	Premium Income.	Payments to Policy-holders.	Rate of Payments to Policy-holders per cent of Premiums.
	\$	\$	
1879.. . . . .	490,688	396,053	80·71
1880.....	447,910	317,531	70·89
1881.....	441,393	489,370	110·87
1882.. . . . .	412,436	376,811	91·36
1883.. . . . .	371,570	450,678	121·29
1884.. . . . .	343,179	454,906	132·56
1885... . . . .	321,566	395,851	123·10
1886... . . . .	278,108	342,049	122·99
1887.....	262,445	423,747	161·46
1888.....	237,559	395,466	166·47
1889.....	216,730	337,829	155·88
1890.. . . . .	191,101	363,519	190·22
1891.....	181,905	319,246	175·51
1892.. . . . .	175,340	329,963	188·18
1893.....	163,723	368,887	225·31
1894.....	178,467	435,862	244·23
1895. . . . .	163,366	367,132	224·73
1896.....	150,395	377,949	251·30
1897.....	174,155	449,423	258·06
1898.....	163,918	358,968	219·00
1899.....	152,534	376,018	246·51
1900.....	145,756	391,576	268·65
1901.....	132,201	476,885	360·73
Total.....	5,796,445	8,995,721	155·19

Collecting the results for twenty-three years, 1879 to 1901, it will be seen that the total payments to policy-holders made by said retired companies exceeds by 55·19 per cent the total premium income during the same period.

Canadian Companies.

The assets and liabilities, income and expenditure, of the Canadian Life Companies will be found exhibited in the statements under their respective headings at pages lxxxii lxxxiii, lxxxvii and lxxxviii. The tables of mortality employed by the various companies in the calculation of their reinsurance reserve are shown in the table on page lxxxiii.

From the tables on pages lxxxvii and lxxxviii referred to, it will be seen that the Canadian Companies have received an income of \$13,866,753·05 drawn from the following sources :

Premiums and annuity sales.....	\$ 11,074,492 29
Interest and dividends.....	2,555,358 80
Sundry.....	236,901 96
Total.....	\$ 13,866,753 05

And they expended \$8,281,653·57 under the following items :—

Paid to policy-holders and annuitants.....	\$ 4,890,754 32
General expenses.....	3,262,457 75
Dividends to stockholders.....	128,441 50
Total.....	\$ 8,281,653 57



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Hence, out of every \$100 of income they have expended in payment to policy-holders \$35.27, in general expenses, \$23.53, and in dividends to stockholders, \$0.93, leaving \$40.27 to be carried to reserve.

By reference to the table at page lxxxii it will be seen that the total assets at December 31, 1901, of the Canadian life companies other than assessment companies (including \$3,290,258 outstanding and deferred premiums, interest and rents due and accrued which have not as yet gone into income) amount to \$66,182,117, an increase over the corresponding amount at the end of the year 1891 of \$43,027,497.

The amount of risks in force have increased from \$147,925,863 in 1891 to \$327,705,032, a gain of \$179,779,169, and the reserves have increased from \$19,922,556 in 1891 to \$59,211,836 in 1901, an increase of \$39,289,280.

The following table gives the premium and other income of the Canadian companies other than assessment companies, during the past twenty-three years, and also the payments to policy-holders, for general expenses and for dividends to stockholders during the same period.

Year.	Premiums	Interest and other Receipts.	Total Income.	Paid to Policy-holders.	General Expenses.	Dividends to Stockholders	Total Expenditure.
	\$	\$	\$	\$	\$	\$	\$
1879.. . . . .	919,344	280,375	1,199,719	331,118	247,885	33,351	612,354
1880.. . . . .	1,039,342	325,581	1,364,923	412,230	272,689	32,311	717,230
1881.. . . . .	1,291,027	389,819	1,680,846	683,595	350,973	76,122	1,110,690
1882.. . . . .	1,562,085	387,218	1,949,303	719,656	396,398	66,459	1,182,513
1883.. . . . .	1,738,973	477,346	2,216,319	777,355	459,329	40,856	1,277,540
1884.. . . . .	1,932,506	499,074	2,431,580	671,448	508,573	48,821	1,228,842
1885.. . . . .	2,157,338	585,066	2,742,404	934,750	527,371	36,769	1,498,890
1886.. . . . .	2,482,113	672,547	3,154,660	1,316,175	659,938	109,450	2,085,563
1887.. . . . .	2,922,526	768,480	3,691,006	1,405,686	736,846	70,202	2,212,734
1888.. . . . .	3,260,800	777,266	4,038,066	1,416,516	874,657	52,651	2,343,824
1889*.. . . . .	4,570,918	1,234,146	5,805,064	2,001,150	1,091,027	65,411	3,157,588
1890.. . . . .	4,236,746	985,915	5,222,661	2,081,236	1,006,698	121,005	3,208,939
1891.. . . . .	4,508,834	1,097,710	5,606,544	2,036,711	1,093,215	55,465	3,185,391
1892.. . . . .	5,006,717	1,174,010	6,180,727	2,438,040	1,210,501	57,010	3,705,551
1893.. . . . .	5,476,059	1,281,031	6,757,090	2,265,703	1,432,144	57,994	3,755,841
1894.. . . . .	5,871,677	1,423,932	7,295,609	2,567,454	1,560,229	59,908	4,187,591
1895.. . . . .	6,297,930	1,508,649	7,806,579	3,070,440	1,723,309	132,112	4,925,861
1896.. . . . .	6,941,828	1,577,222	8,519,050	3,244,495	1,778,627	76,031	5,099,153
1897.. . . . .	7,579,816	1,992,213	9,572,029	3,641,627	2,119,437	83,774	5,844,838
1898.. . . . .	8,303,650	2,066,907	10,370,557	3,542,393	2,391,527	87,885	6,021,805
1899.. . . . .	9,256,570	2,202,132	11,458,702	3,801,089	2,616,951	88,510	6,506,550
1900.. . . . .	10,999,604	2,520,623	13,520,227	5,195,146	3,117,578	82,342	8,395,066
1901.. . . . .	11,074,492	2,792,261	13,866,753	4,890,754	3,262,458	128,442	8,281,654
Total .....	109,430,895	27,019,523	136,450,418	49,444,767	29,438,360	1,662,881	80,546,008

\* Including 20 months' business of the Canada Life.



VALUATION OF LIFE POLICIES IN CANADA.

The following are the results of the valuation of the policies of a number of the licensed life insurance companies completed since the issue of the last report.

The valuation is made on the basis of the H. M. Mortality Table of the Institute of Actuaries, at 4½ per cent interest for policies issued previous to January 1, 1900, and 3½ per cent for subsequent policies, the pure premiums only being valued.

BRITISH EMPIRE MUTUAL LIFE ASSURANCE CO.

*Valuation as at December 31, 1901.*

Number of policies in force, 2,615 ; amount, \$6,133,556.28 ; value, \$1,557,980. Amount of bonus additions, \$411,196.22 ; value, \$197,260. Amount of policies reinsured, \$273,571.10 ; value, \$71,183. Value of life annuities, \$31,230. Total net amount in force, \$6,271,181.40. Total reserve, \$1,715,287.

CANADA LIFE ASSURANCE CO.

*Valuation as at December 31, 1901.*

Number of policies in force, 39,047 ; amount, \$80,740,710.63. Amount of bonuses, \$3,664,261.56. Policies reinsured, \$770,811.77. No. of life annuities, 13 ; annual payments thereunder, \$16,701.89.

Value of policies.....	\$17,907,259
"    bonus additions and premium reductions.....	2,254,306
"    annuities.....	111,502
	<hr/>
Total.....	\$20,273,067
Less value of reinsurances.....	128,959
	<hr/>
Net reinsurance reserve.....	\$20,144,108
	<hr/>

COVENANT MUTUAL LIFE ASSOCIATION.

*Valuation as at May 25, 1900.*

Number of policies, 259 ; amount, \$423,125 ; total net reserve, \$5,158.44.

EQUITABLE LIFE ASSURANCE CO.

*Valuation as at December 31, 1900.*

1. Policies issued previous to March 31, 1878 :—Number, 441 ; amount, \$1,004,870 ; value, \$452,392. Amount of bonuses, \$76,175 ; value, \$44,398. Total net reserve, \$496,790.

2. Policies issued subsequently to March 31, 1878 :—Number, 9,042 ; amount, \$19,858,093 ; value, \$4,346,936. Bonus additions, \$62,889 ; value, \$35,588. Value of life annuities, \$34,110. Total net reserve, \$4,416,634.

Total amount of all policies in force, \$21,002,027 ; total reserve, \$4,913,424.



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## HOME LIFE ASSOCIATION.

*Valuation as at December 31, 1901.*

Reserve under level premium policies and under those policies changed from assessment to level premium policies.

Number of said policies, 1,454 ; amount in force, \$1,901,070 ; value, \$212,839. Amount of liens against said policies, \$161,513.

In addition to the above policies there are also in force the following assessment policies :—Temporary assurances, No. 407 ; amount, \$505,130. ‘Advance payment,’ No. 130 ; amount, \$142,500. The estimated liability under these latter policies is \$7,000.

## IMPERIAL LIFE ASSURANCE CO.

*Valuation as at December 31, 1901.*

Number of policies in force, 4,730 ; amount, \$10,524,731 ; value, \$798,295. Amount of policies reinsured, \$1,675,970 ; value, \$129,879. Number of life annuities in force, 17 ; annual payments thereunder, \$7,506.76 ; value, \$91,999. Total net reserve, \$760,415.

## LONDON ASSURANCE.

*Valuation as at December 31, 1901.*

Number of policies, 7 ; amount, \$27,253.33 ; value, \$11,634. Amount of bonuses, \$5,932.71 ; value, \$4,055. Total amount in force, \$33,186.04 ; total reserve, \$15,689.

## MUTUAL RESERVE FUND LIFE ASSOCIATION.

*Valuation as at December 31, 1900, of Policies issued since August 11, 1899.*

Number of said policies, 523 ; amount, \$1,093,000 ; value, \$86,112. Amount of liens against said policies, \$58,104. Net liability, \$28,008.

## NATIONAL LIFE ASSURANCE CO. OF CANADA.

*Valuation as at December 31, 1901.*

Number of policies, 1,610 ; amount, \$2,554,904 ; value, \$100,437. Amount of policies reinsured, \$97,217 ; value, \$3,951. Net amount in force, \$2,457,687. Total net reserve, \$96,486.

## NEW YORK LIFE INSURANCE CO.

*Valuation as at December 31, 1900.*

1. Policies issued previous to March 31, 1878 :—Number of policies, 387 ; amount, \$808,409 ; value, \$438,995. Amount of bonus additions, \$66,506 ; value, \$41,196. Total net reserve, \$480,191.



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2. Policies issued after March 31, 1878 :—Number of policies, 15,046 ; amount, \$27,127,727. Amount of return-premium additions, \$1,424,704. Amount of bonus additions, \$64,434. Total amount in force, \$28,616,865.

Value of policies and return-premium additions . . . . .	\$ 4,813,701
"    bonus additions . . . . .	40,000
"    life annuities . . . . .	98,887
Total value of said policies . . . . .	<u>\$ 4,952,588</u>

Total amount of all policies in force, \$29,491,880. Total net reserve, \$5,432,779.

## NORTH BRITISH AND MERCANTILE INSURANCE CO.

*Valuation as at December 31, 1901.*

1. N. B. and M. policies issued prior to March 31, 1878 :—Number of policies, 96 ; amount, \$207,071.16 ; value, \$115,199. Amount of bonus additions, \$82,267.17 ; value, \$55,606. Total net reserve, \$170,805.

2. N. B. and M. policies issued subsequent to Mar. 31, 1878 :—Number of policies, 80 ; amount, \$249,990.67 ; value, \$83,633. Amount of bonus additions, \$24,363.29 ; value, \$13,041. Value of annuities, \$10,234. Total net reserve, \$106,908.

3. Scottish Provincial Policies :—Number in force, 218 ; amount, \$306,562.75 ; value, \$171,929. Amount of bonus additions, \$108,404.15 ; value, \$72,402. Total net reserve, \$244,331.

Total net amount in force, \$978,659.19 ; total net reserve, \$522,044.

## PROVIDENT SAVINGS LIFE.

*Valuation as at December 31, 1900.*

Number of policies, 1903 ; amount, \$3,903,247 ; total net reserve, \$179,260.

## NORWICH UNION LIFE.

*Valuation as at December 31, 1901.*

Number of policies, 7 ; amount, \$14,500 ; total reserve, \$863.95.

## RELIANCE MUTUAL LIFE.

*Valuation as at December 31, 1901.*

Number of policies, 150 ; amount, \$155,346.06 ; value, \$69,182. Amount of bonus additions, \$18,528.63 ; value, \$11,684. Total reserve, \$80,866.

## ROYAL VICTORIA LIFE.

*Valuation as at December 31, 1901.*

Number of policies, 1,858 ; amount, \$2,680,152 ; value, \$141,048. Amount reinsured, \$107,600 ; value, \$2,824. Value of annuities, \$30,334. Total net amount in force, \$2,572,552. Total net reserve, \$168,558.



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## UNION MUTUAL LIFE.

*Valuation as at December 31, 1900.*

1. Policies issued previous to March 31, 1878 :—Number of policies, 357 ; amount, \$545,851 ; value, \$245,122. Amount of reversionary bonuses, \$11,571.03 ; value, \$7,086. Total net reserve, \$252,208.

2. Policies issued since March 31, 1878 ; Number of policies, 3,606 ; amount, \$5,305,899 ; value, \$683,823. Amount of bonus additions, \$88,015.69 ; value, \$29,304. Total net reserve, 713,127.

Total number of policies in force, 3,963 ; total amount in force, \$5,951,336.72 ; total reserve, \$965,335.

## CANADIAN LIFE COMPANIES IN FOREIGN FIELDS.

The undermentioned Canadian Life Insurance Companies carry on business outside Canada in the several countries, states, &c., set opposite their respective names, viz.—

Name of Company.	Name of Countries, States, &c.
Canada Life Assurance Company.....	The States of Illinois, Michigan, Minnesota, New York, Ohio, Pennsylvania and Washington in the United States of America ; the Bahamas and Newfoundland.
Confederation Life Association.....	Newfoundland, Mexico and West Indies.
Manufacturers' Life Insurance Company.....	Newfoundland, Bermuda, British Honduras, British West Indies, Costa Rica, Hayti, Hawaiian Islands, India, Japan, China (Treaty Ports), Porto Rico, Philippine Islands, Strait's Settlements and Venezuela.
Mutual Life Assurance Co. of Canada (formerly the Ontario Mutual).....	Newfoundland.
North American Life Assurance Co.....	The States of Illinois, Michigan, Minnesota, New York, New Jersey, and Washington in the United States of America, the Bahamas, Bermuda.
Sun Life Assurance Co. of Canada.....	Belgium, Bermudas, British Honduras, Open Ports of China, Chile, Costa Rica, Egypt, Turkey, France, Great Britain and Ireland, British and Dutch Guiana, Venezuela, Hawaiian Islands, Holland, India, Japan, Java, Newfoundland, Philippines, Strait's Settlements, several states of the United States of America (District of Columbia, Georgia, Maryland, Michigan, New Jersey, North Carolina, Pennsylvania, South Carolina and Virginia) and the West India Islands.

## ASSESSMENT LIFE INSURANCE, 1901.

The business of life insurance upon the assessment plan has been transacted by five companies reporting to this office, of which four are Canadian and one American.

The total amount of policies taken in Canada during the year 1901, was \$10,120,699, which is less than the amount taken in 1900 by \$2,789,101, and the net amount in force at the end of the year was \$127,135,999, which is less than the amount in force at the end of 1900 by \$898,001.

The amount of insurance terminated by death was \$1,194,196, and by surrender and lapse, \$9,822,304.

The total terminations amount to 108.85 per cent of the amount of new policies.

The amounts of terminations were distributed as follows :—

	By death.	By Surrender and Lapse.
Canadian companies.....	\$ 892,446	\$ 4,772,054
American ".....	301,750	5,050,250
Total.....	\$ 1,194,196	\$ 9,822,304



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The details of individual companies will be found on pages xci and xciii.

The total amount paid by members for membership fees, annual dues, assessments, &c., was \$1,713,612 and the amount paid for death claims was \$1,224,552.

Details of the assets and liabilities, income and expenditure will be found on pages xciv, xcv and xcvi.

#### ACCIDENT AND GUARANTEE INSURANCE IN CANADA, 1901.

The business of accident insurance was transacted by nine companies, viz.: 5 Canadian (1 of which combined it with life insurance, 1 with plate glass insurance, 4 with sickness insurance and 1 with guarantee business) 1 American (also combined with life), and 3 British, (2 of which combined it with guarantee business, and 3 with sickness insurance.)

The Norwich and London Accident Insurance Association ceased to do business during the year.

The list of companies does not otherwise differ from that of the previous year.

The total accident premiums received in Canada were \$775,990, insuring an amount of \$121,727,447, and the sum of \$396,060 was paid for claims, with \$103,627 claims not settled.

An abstract will be found on page c.

The guarantee business was conducted by five companies—two Canadian, two British and one American.

The list does not differ from that of the previous year.

The premiums received were \$116,305, guaranteeing an amount of \$26,949,138 and the net amount paid for claims was \$26,775 with \$3,749 claims not settled.

The Guarantee Company of North America transacts business outside of the Dominion, which is not included in the above.

#### SICKNESS INSURANCE.

The business of sickness insurance has been carried on by seven companies, viz., three British and four Canadian. Three of the companies combine it with accident insurance, three with guarantee and accident insurance, and one with accident and plate-glass insurance. Of the seven companies referred to, only two regularly issue sickness policies *not* in combination with accident risks; four issue combined accident and sickness policies, and one issues a combined accident and sickness policy, a limited sickness policy in conjunction with an accident policy and also in rare cases a separate sickness policy.

It appears, however, that sickness insurance not in combination or in conjunction with accident risks has been carried on only to a very limited extent and returns of the premiums received in respect thereof and losses paid, &c., have not been made to this department.



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In addition to the seven companies above referred to, two fraternal societies, licensed by this office, viz. : the Supreme Court of the Independent Order of Foresters and the Subsidiary High Court of the Ancient Order of Foresters pay sick benefits to such of their members as stipulate therefor in their application for membership. In the case of the latter these benefits are paid partly through the lodges and partly by the Subsidiary High Court.

## PLATE GLASS INSURANCE IN CANADA, 1901.

The business of plate-glass insurance was transacted by four incorporated companies, viz. : 2 Canadian (1 of which combined it with accident insurance), and 2 American.

The companies, having adopted the system of insurance by replacement, instead of paying the value of the glass broken, and their contracts not stating any amounts as insured thereby, their returns do not show the amount of insurance effected during the year, nor the amount in force at the end thereof. The premiums received during the year in Canada for plate-glass insurance were \$74,986, being less than the amount received the previous year by \$2,391, and the total losses incurred were \$34,953, being \$1,203 less than the amount incurred in 1900. An abstract will be found at page c.

## BURGLARY GUARANTEE INSURANCE, 1901.

This branch of insurance which is transacted to a considerable extent in Great Britain, was introduced into Canada nine years ago. On June 14, 1893, a license was issued to the Dominion Burglary Guarantee Company (Limited), whose head office is at the city of Montreal, to transact the business of guaranteeing against loss or damage by reason of burglary or housebreaking, and guaranteeing against loss of jewellery, bullion and other movable property deposited with it for safekeeping. This company which was incorporated by an Act of Parliament of Canada, assented to on April 1, 1893, is the only company licensed by this department to carry on the business of burglary guarantee insurance in Canada. A table showing the premiums received by it, the number of policies issued, the amount insured thereby, the number and amount of policies in force at the end of the year, the amount of claims paid, &c., will be found at page ci.

At the present time there are one hundred and four (104) companies under the supervision of this office. The nature of the business transacted by them is as follows :

Number of companies doing life insurance . . . . .	48
" " " assessment plan . . . . .	5
" " fire insurance . . . . .	38
" " inland marine insurance . . . . .	4
" " ocean marine . . . . .	2
" " accident insurance . . . . .	9
" " guarantee insurance . . . . .	5
" " steam boiler insurance . . . . .	1
" " plate-glass insurance . . . . .	4
" " burglary guarantee insurance . . . . .	1
" " registered mail, &c., insurance . . . . .	3
" " sickness insurance . . . . .	10



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The deposits for the protection of policy-holders, held by the Honourable the Receiver General, in trust for these companies, at July 2, 1902, amounted to \$32,160,305.48 in securities, as follows :—

Canada Government securities.....	\$ 3,930,110 60
Canada Provincial securities.....	4,815,054 52
United States bonds.....	945,000 00
Swedish Government bonds.....	58,400 00
British Government securities.....	1,275,066 77
British Colonial securities.....	893,033 34
Bank deposit receipts.....	110,000 00
Montreal Harbour bonds.....	370,000 00
Municipal securities.....	17,251,336 92
Bank stocks.....	23,633 33
Loan companies debentures.....	298,656 67
Railway debentures.....	1,325,813 33
Ceylon stock.....	29,200 00
Massachusetts bonds.....	835,000 00
Total.....	\$32,160,305 48

There was also deposited with Canadian trustees, in conformity with the Act, \$14,362,905, making a total of \$46,523,210.48 for the protection of policy-holders, being an increase since last report of \$4,048,120.81.

The distribution of the total sum of \$46,523,210.48 held, as above mentioned, for the protection of policy-holders among the different classes, is as follows :—

Fire and inland marine.....	\$ 7,071,704 11
Life.....	38,330,301 75
Accident, guarantee, plate-glass, &c.....	1,121,204 62
	\$46,523,210 48

The total amount of premiums received in Canada for all forms of insurance was \$28,364,603, of which \$13,438,247 was received by Canadian companies, and \$14,926,356 by British and American. The following summary shows the distribution of the premiums to the various classes :—

## PREMIUMS, 1901.

Fire.....	\$ 9,650,348
Inland Marine.....	31,113
Ocean.....	471,499
Life ..	15,189,854
Life (Assessment).....	1,713,612
Accident.....	775,990
Guarantee.....	116,305
Plate-Glass.....	74,986
Steam Boiler.....	40,416
Burglary Guarantee.....	17,918
Sickness (so far as separate return made).....	263,456
Inland transit.....	19,106
Total.....	\$28,364,603



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Or dividing them according to the nationalities of the companies :—

PREMIUMS, 1901.

	Canadian Companies.	British Companies.	American Companies.
	\$	\$	\$
Fire . . . . .	1,727,410	6,595,447	1,327,491
Inland Marine . . . . .	24,580		6,533
Ocean . . . . .	471,499		
Life . . . . .	9,133,890	1,346,666	4,709,298
Life (Assessment) . . . . .	1,357,733		355,879
Accident . . . . .	333,320	371,858	70,812
Guarantee . . . . .	42,668	64,725	8,912
Plate-Glass . . . . .	28,508		46,478
Steam Boiler . . . . .	40,416		
Burglary Guarantee . . . . .	17,918		
Sickness . . . . .	260,305	3,151	
Inland Transit . . . . .		19,106	
Total . . . . .	13,433,247	8,400,953	6,525,403



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## RULES AND REGULATIONS REGARDING THE ACCEPTANCE OF SECURITIES OFFERED FOR DEPOSIT BY INSURANCE COMPANIES, &c., &c.

The following extracts from Orders in Council, Minutes of the Treasury Board, &c., (most of which have been previously published) are here collected for convenience of reference :

*Particulars of Securities offered for Deposit.*—‘All applications for the acceptance of bonds or debentures, whether as original deposits or in exchange for securities which the applicants desire to have released, must be accompanied by a statement giving full particulars of the securities offered for acceptance under the following headings, viz. :—

‘Date, date of maturity, place of payment of principal, rate of interest, how payable, *i.e.*, yearly or half-yearly, date and place of payment of interest, market value at time of application for acceptance, and, if not quoted in the market, the price at which purchased by the company and date of such purchase.

‘Also, as regards municipalities whose bonds or debentures are offered :

‘The population, assessed value, rate of taxation, assets, total debenture indebtedness, and all other liabilities, income and expenditure for the last fiscal year, and any other details in the possession of the company which would be of assistance in determining the value of the securities offered for acceptance.

‘The Board desire to be in possession of all possible information in relation to such securities in order that they may be in a position to give the matter proper consideration.’ (T.B., Nov. 9, 1888.)

*Railway Debentures.*—‘The Board are of opinion that they cannot accept as a deposit the bonds of any railway company, unless guaranteed directly or indirectly by the Canadian Government.’ (T.B., Oct. 27, 1890.)

*Loan Companies' Bonds.*—The Board had under consideration a memorandum from the Superintendent of Insurance with reference to the application of the Land Mortgage Companies' Association of the province of Ontario to have the debentures of loan companies, accepted by the government as deposits on behalf of insurance companies in which he reports that the said Association is composed of incorporated loan companies or societies authorized to lend money on real estate in the province of Ontario, and all such companies or societies are eligible for membership upon payment of certain fees ; that the loan companies which compose the said association may be divided into the following classes :—

I. ‘Companies incorporated under the provisions of the statute of the Province of Canada, 9 Victoria, chap. 90, consolidated in chapter 53 of the Consolidated Statutes of Upper Canada, now included in chapter 169 of the last Revised Statute of Ontario (1887), and commonly known as the Building Societies' Act.

II. ‘Companies incorporated under the “Canada Joint Stock Companies' Act, 1877,” now known as the “Companies Act,” being chapter 119 of the Revised Statute of Canada (1886.)

III. ‘Companies incorporated under special Acts of the Legislature of the Province of Canada or of the Parliament of the Dominion of Canada.

IV. ‘Companies incorporated under the “Ontario Joint Stock Companies' Letters Patent Act, 1874,” being chapter 150 of the former and chapter 157 of the last Revised Statutes of Ontario.

V. ‘Companies incorporated under the English Companies' Act, and licensed to transact business in Canada under 37 Victoria, chapter 49, being chapter 125 of the Revised Statutes of Canada.

The Board, after careful consideration of the report of the Superintendent of Insurance as to the class of securities upon which the above companies can invest their funds, and as to the borrowing powers of the said companies, direct that the debentures and debenture stock of such companies, belonging to the said association, as meet the requirements hereafter set forth, may be accepted as deposits on behalf of the insurance companies, at such rate as the Treasury Board may see fit to place upon them, not, however to exceed the value usually placed upon municipal securities, viz., 90 per cent of the par value thereof when the market value is at least equal to such par value, or 90 per cent of the market value, when the market value is less than the par value.

The requirements above referred to are as follows :—

1. The company shall have kept strictly within the powers in relation to borrowing and investment conferred upon it by the Act under which it is incorporated.

2. It shall have a paid-up capital of at least \$500,000.

3. It shall have been in successful operation as a loan company for not less than ten years.

4. It shall have a reserve fund amounting to not less than 25 per cent of its paid-up capital.

5. Its stock shall have a market value of not less than par.

The Board also direct that every application on behalf of an insurance company for the acceptance of any such debentures or debenture stock as herein above provided, shall form the subject of a special reference to the Treasury Board, and that the company shall supply, for the information of the Board, all necessary particulars, including a statement of the borrowing powers and powers of investment of the loan company whose securities are offered as a deposit, and a statement showing in detail the nature of the investments of such loan company, all properly verified. (T. B., October 16, 1896).

*No assurance of acceptance of Bonds by the Treasury Board.*—The Superintendent asks the decision of the Board upon the following question, viz. :—

‘Will the Board inform a company desirous of purchasing certain bonds or securities whether they will be accepted or not as a deposit in the event of their being purchased?’

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'The Board, after deliberation, are of opinion that they cannot give any assurance to any company that securities will or will not be accepted in the event of their being purchased.' (T. B., April 1, 1889.)

*Deposit Receipts.*—'The Board direct that deposit receipts be not accepted in any case as a deposit on behalf of any company.' (T. B., January 25, 1888.)

*Bank Stock, &c.*—'Bank stock or shares in any private company will not be accepted.' (O.C., January 17, 1876.)

*Registered Bonds as Deposits.*—'When registered bonds are received as deposits they must be registered in the name of the Receiver General. Bonds registered in the name of a company accompanied by an assignment in favour of the Receiver General, will not be accepted. When registered bonds are intended to be used as a deposit, they should, before being forwarded to this department, be registered thus—in the name of 'the Receiver General of Canada in trust for (*giving the name of the company*) being part of the deposit made by the company with said Receiver General in pursuance of the statutes of Canada in that behalf.' (T. B., July 13, 1891.)

*Foreign Municipal Securities.*—'The Board are of opinion that no municipal securities other than Canadian should be accepted for deposit under the Insurance Act.' (T. B., January 30, 1894.)

*Exchange of Securities deposited with the Receiver General.*—The Board establishes the following rule, viz., that bonds or securities of any kind deposited with the Receiver General can be released and withdrawn only upon the deposit with the Receiver General of an adequate amount of other securities satisfactory to the Board. (T. B., October 28, 1899.)

*Municipal and other Securities as deposits.*—The Board, on the report of the Superintendent of Insurance, direct as follows:—

(1.) That Canadian municipal securities, Montreal Harbour bonds, Canadian Pacific Land Grant bonds, United States State securities and loan companies' debentures (where such securities are in all respects acceptable to the Treasury Board) be hereafter accepted at 95 per cent of their market value at the time of deposit, such accepted value in no case however to exceed par.

(2.) That all securities of the classes mentioned in the preceding clause (1), which have been heretofore deposited and are still in the hands of the Dominion Government at Ottawa, or in the hands of the Bank of Montreal, London, England, on behalf of the government, be revalued upon the basis set out in said clause (1).

(3.) That for the purpose of such revaluation the various insurance companies by which such securities have been deposited be required to furnish from time to time when called for by the Superintendent, schedules thereof giving the full particulars of such securities, including their par and market values, such par and market values to be certified to by a competent valuator or appraiser. (T. B., June 14, 1900.)

## LEGAL DECISIONS.

The following digest of recent legal decisions will be found useful by those engaged in the business of insurance:—

1. LIFE INSURANCE, WAGER POLICY, REPAYMENT OF PREMIUM, COMPLETED CONTRACT, ALLOTMENT OF STOCK, EXPIRY OF CHARTER, POLICY FOR BENEFIT OF WIFE, REVOCATION, TENDER OF PREMIUM, DELIVERY OF POLICY, PAYMENT OF PREMIUM.

(a) The defendant, an elderly man, purchased from the plaintiff company an annuity upon his life, and, pursuant to a pre-existing arrangement between them, an insurance agent, who was a much younger man, insured his life with the plaintiff company for an amount the premiums upon which were equal to the amount of the annuity, and at once assigned the policy to the defendant who agreed to pay, and did for some years pay, the premium. The insurance agent got the benefit of the commissions on the annuity and the insurance, and was not otherwise interested in the insurance.

*Held*, that the insurance was void, as being in violation of 14 Geo. III. c. 48, s. 1, and that the plaintiffs, in an action brought after the death of the assured, were entitled to have the policy delivered up to be cancelled.

*Held*, also, however, that, though the defendant could not have maintained an action to recover the premiums, the plaintiffs seeking equitable relief were bound to do equity and to repay the premiums with interest, the risk never having attached.

(September 21, 1901.—Court of Appeal, Ontario, *North American Life Assurance Company v. Brophy*, 21 Canadian Law Times (1901), p. 557; 2 Ontario Law Reports (1901), p. 559.

By a judgment of the Supreme Court of Canada delivered May 6, 1902, that portion of the foregoing judgment which required the company to return the premiums paid, was reversed and the finding of the trial judge restored. In other respects the judgment of the Court of Appeal was affirmed. See 38 Canada Law Journal (1902), p. 461.

(b) A. applied in Toronto for a policy in the defendant company, and his application was received in the defendant's head office in New York on August 23, 1897, and was initialed by certain officers of the company, indicating acceptance of the risk, but this was not communicated to A.

*Held*, that no contract with A was completed by such initialing. The defendant prepared a policy, in accordance with the application, and dated it August 23, 1897, the premiums being expressed to be payable



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on February 23 and August 23, in each year, which policy on August 28, 1897, reached the defendant's agent, who notified the plaintiff, the beneficiary named in the application and the policy, all being according to the ordinary course of the defendant's in like cases.

*Held*, that this sending of the policy was the first and only acceptance of the application constituting a contract between the parties, and could not be considered as a counter proposal.

*Semble*, Also that the policy was properly dated the 23rd August, 1897.

Both the policy and the application contained a clause that the insurance should not be binding on the defendants or the policy go into effect, until the first premium had been paid to the defendant. This was not done until the 4th October, 1897, and the policy was not in fact delivered till then. The plaintiff, acting for A., paid this premium and received a receipt dated the 23rd August, 1897, which she made no objection to, and which stated that the payment was up to 23rd February, 1898. On the 26th February, 1898, she paid the second premium, for which she received a similar receipt stating it was the premium due the 23rd February, 1898, which he also retained and kept without objection. On the 17th October, 1898, the third premium was tendered and refused by the defendant, on the ground that it was too late, as it should have been paid on the 23rd August, 1898, or within the thirty days grace. A. died on the 20th October, 1898. The policy provided that failure to pay any premium as specified when due would terminate the policy.

*Held*, that the defendants were not liable under the policy, and the plaintiff's contention that the third premium did not fall due until the 4th October, 1898, could not be sustained.

(November 16, 1901.—Divisional Court, Ontario. *Armstrong v. Provident Savings Life Assurance Society*, 22 Canadian Law Times (1902) p. 13; 2 Ontario Law Reports (1901) p. 771).

(c) A life insurance company was incorporated by a special Act passed on the 13th June, 1898, which enacted that the Insurance Act and the Companies Clauses Act should be read as forming part thereof. By s. 4, the provisional directors were authorized forthwith to open stock books, procure subscriptions, and do what was necessary to organize the company. By s. 5, as soon as \$250,000 of the capital stock of the company should be subscribed and ten per cent of that amount paid into a bank, the provisional directors were to call a meeting of qualified shareholders, who were to elect a board of directors. By s. 6, the company was not to commence the business of insurance until \$65,000 of the capital had been paid in cash. Stock books were opened, and on the 23rd June, 1899, the defendants each subscribed for 100 shares. Efforts to obtain subscribers for stock to the amount required by the Act of incorporation wholly failed, not more than \$75,000 having been subscribed. No payments were made on the stock subscribed for by the defendants. The plaintiff, having an unsatisfied judgment and an execution against the company for the recovery of money, sued the defendants as shareholders holding unpaid stock, under the Companies Clauses Act, R. S. C., c. 118, s. 36.

*Held*, that to constitute a binding contract to take shares in a company, when such contract is constituted by application and allotment, there must be an application by the intending shareholder, an allotment by the directors of the company of the shares applied for, and a communication by the directors to the applicant of the fact of the allotment having been made: *In re Scottish Petroleum Co.*, 23 Ch. D. 430; *Nasmith v. Manning*, 5 A. R. 126; *Ward's Case*, L. R. 10 Eq. 659. The subscription for stock amounted to nothing more than an offer, and required to be completed by an allotment of stock to the subscribers: *Buckley's Companies Act*, 7th Ed., p. 64; *Palmer's Company Law*, 3rd Ed., p. 69; *Pellatt's Case*, L. R., 2 Ch. 527; *Ritso's Case*, 4 Ch. D., 774; *Hobbs' Case*, L. R., 4 Eq. 9.

The company never was organized; it had no business existence; it never had stock to allot; it never had directors; and therefore it never could make an allotment.

*Held*, also, that, as no license was obtained by the company from the Minister of Finance within two years from the passing of the Act incorporating the company, such Act expired and ceased to be in force on the 13th June, 1900, and the company ceased to exist: *The Insurance Act* R.S.C., c. 124, s. 24.

(December 26, 1901.—Mr. Justice Lount, *Hodgins v. O'Hara*, 22 Canadian Law Times (1902), p. 29.)

This decision was affirmed by the Divisional Court, February 26, 1902.

(d) The plaintiffs, the executors and trustees under the will of R. R. Hughes, brought this action to obtain a declaration as to the effect of a clause in the testator's will.

The testator had effected an insurance policy on his life in the London Life Insurance Company of Canada, which on the face of it, was expressed to be for the benefit of his wife Alexandria Hughes; by his will he absolutely revoked the benefit, declaration or appropriation previously made, and directed that the insurance moneys which should become payable under the policy should become a part of his estate, the same as if the policy had been made payable to his executor, and that the insurance money should, after his death be paid by the company to his executor and become a part of his estate.

The widow claimed a lien for premiums she had paid to keep the policy alive.

The insurance company was incorporated in Ontario and afterwards obtained an Act of incorporation from the Dominion. The head office of the company was in Ontario; at the time the insurance was effected, the testator and his wife were living in Manitoba; the insurance moneys, under the terms of the policy, were made payable to the testator's wife at the head office in Ontario; the testator and his wife were both living in Manitoba when he made his will, and since his death the company had paid the insurance moneys to the plaintiffs, the executors.

It was contended on behalf of the widow that, as the policy was issued in Ontario, and was an Ontario contract, it was in all respects governed by the law of Ontario, and not by that of Manitoba, and that the revocation of the widow's benefit in the policy was, therefore, ineffective.

*Held*, that, as the contract was made in Ontario, the premiums were payable there, proof of death had to be furnished there, and the insurance moneys were payable there, it was in Ontario that it was to be performed, and as this would seem to outweigh any presumption there could be from the fact that the testator was living in Manitoba, the general rule must prevail, and it must be presumed that the parties intended that the contract itself should be governed by Ontario law. Ex. p. Dever, 18 Q.B.-D. 660.



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It by no means followed, however, that because the contract itself was to be governed by the law of Ontario, the collateral question of the revocation of the wife's benefit in the policy must also be determined by the Ontario law. *Chatenay v. Brazilian Tel. Co.*, (1891) 1 Q.B. 79; *Lee v. Abdy*, 17 Q.B.-D. 309.

The revocation by the insured of his wife's benefit in the policy was a different thing from a contract of assignment of the policy; but still it was the exercise of a right incident or relating to the policy which belonged to him by the law of the place where he lived.

*Lee v. Abdy* supports the view that the insured had the right to revoke his wife's benefit in the policy. The question was one not of the construction of the policy or contract, but of the capacity of the insured to make a disposition of the benefit of the policy; and he could deal with the benefit that he had given his wife in the policy in such manner as the laws of Manitoba empowered him. A transfer or disposition of personal property, good by the law of the owner's domicile, is valid wherever the property may be.

Judgment declaring that the plaintiffs held the insurance moneys in the trusts of the will; the widow to have a lien thereon for the premiums she had paid to keep the policy in force.

(January 29, 1902.—Mr. Justice Bain, King's Bench, Manitoba, *National Trusts Company v. Hughes*, 22 Canadian Law Times (1902), p. 101.)

(e.) By a clause in his will a testator bequeathed to his wife one-half his estate, 'including policies of insurance made payable to her upon my death.' The testator left three policies, one for \$1,000, payable to his wife, the second providing for payment to his wife of an annuity of \$250 per annum for twenty years, and the third payable at his death to the legal heirs.

There were no children, grand-children, or mother, living at the time of the testator's death, but his widow survived him.

*Held*, that the third policy, being payable to the heirs and not to the widow as a preferred beneficiary, formed part of the testator's estate, although as a fact the widow was the legal heir; but, the first two policies did not form part of the estate. By them a trust was created in favour of the wife as a preferred beneficiary, and so remained until the death of the testator.

*Held*, also, that 'including' imported addition.

(February 24, 1902.—Mr. Justice Lount, in *re Duncombe*, 22 Canadian Law Times (1902), p. 167; 3 Ontario Law Reports (1902), p. 510.)

(f.) The plaintiff was the widow of Joseph Webb, whose life was insured by the defendants, by a policy bearing date the 15th July, 1890, for \$1,000, on a ten-year renewable plan. The premium was payable monthly and amounted to \$1.34.

The statement of claim averred that the plaintiff duly paid the monthly premiums down to and inclusive of the premium due for the month of December, 1891, and that said premiums were paid at the defendants' office in the city of Toronto. It further alleged that Joseph Webb went from the city of Toronto to the city of Chicago, in the State of Illinois, one of the United States of America, in the month of December, 1891; that the plaintiff, as was her custom, attended at the defendants' place of business in Toronto in due time to pay the monthly assessment for January, 1892, and tendered the same, but that the defendants refused to accept the said assessment, and at the same time further refused to accept any future assessment, unless Joseph Webb should be re-examined, giving as a reason for such refusal that, having left the country, he would have to be re-examined, that the plaintiff was and always had been ready and willing to pay the monthly assessments as required by the policy, but the defendants refused to accept the same; that Joseph Webb died on the 22nd June, 1895.

The defendants denied the allegations as to tender.

Meredith, J. (at the trial):—The onus of proof of a tender is, of course, upon the plaintiff; and I am far from satisfied that she has discharged that burden. I am not prepared to accept the testimony of the plaintiff and her sister as to what took place ten years ago. I am not prepared to accept as a fact the statement that the money was tendered and refused, as they allege. I find as a fact that that is not proved. That is, of course, enough for the determination of the case against the claim. I am not favourably impressed with the manner in which the testimony was given: it cannot outweigh all other considerations and outweigh probabilities. I do not say that these witnesses have intended to mislead the court. In ten years a person needing a thousand dollars, perhaps often needing ten dollars, very urgently, may easily learn to believe that to have been a fact which it is her interest to allege as a fact. I am not able to find on the whole evidence in favour of the plaintiff on this first question—this question at the threshold of the claim.

I am also of opinion that under the circumstances *one tender would not have been sufficient to maintain this action*. There were no such circumstances as would justify the assured in the reasonable belief that future tenders would be rejected in the way alleged. No attempt was made to seek a reason from any one in authority. The tender was made, if made at all, to a subordinate clerk in the office. No attempt was made to see the agent there. No complaint was made to the head office. Nothing was done such as one would expect to be done where a person's rights have been disregarded, and it is sought to have them recognized. Upon this second ground, therefore, I think the action also fails.

In my opinion, it is a case in which a tender of the future payments was necessary. Some further steps should have been taken to do that which the contract called for on behalf of the assured. He made no complaint; he went on as if he were perfectly satisfied that there was a practical abandonment of the insurance; all of which is consistent with my first finding, as well as the second, and inconsistent with the claim now made.

(March 24, 1902.—Mr. Justice Meredith, *Webb v. New York Life Insurance Company*, 22 Canadian Law Times, (1902), p. 179.

(g) A contract for life insurance is complete on delivery of the policy to the insured and payment of the first premium. Where the insured, being able to read, having ample opportunity to examine the



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policy, and not being misled by the company as to its terms, nor induced not to read it, neglects to do so, he cannot, after paying the premium, be heard to say it did not contain the terms of the contract agreed upon.

Judgment of the Court of Appeal, 27 A.R. 675, reversed. *See page xxxi. of report issued in 1901.*

(6th May, 1902.—Supreme Court of Canada, *Mowat v. Provident Savings Life Assurance Society*, 22 Canadian Law Times (1902), p. 221.)

## 2. ASSESSMENT LIFE INSURANCE, INCREASE OF ASSESSMENTS, MISREPRESENTATIONS, VALUATION OF CERTIFICATE OF FRIENDLY SOCIETY, INCORRECT STATEMENT OF AGE.

(h) The following important judgment rendered by Mr. Justice Lavergne, Montreal, is extracted from the *Montreal Star* of March —, 1902 :—

‘Canada, Province of Quebec, District of Montreal, in the Superior Court, the Hon. A. R. Angers, plaintiff *vs.* the Mutual Reserve Fund Life Association, defendants.

‘On the — day of March, 1902.

‘Present : The Hon. J. Lavergne, J.S.C.

‘The court, after hearing the parties by their respective counsel, and part of the evidence, and after having read the other part of the evidence, examined the procedure and exhibits filed, and upon the whole deliberated :

‘Whereas plaintiff has sued the defendants and by his declaration complains that in 1885 he entered into a contract of life assurance with the defendant for the sum of \$10,000; that in 1887 he entered into another contract of life assurance with the defendant for an additional sum of \$10,000, and that he paid \$4,932.20 in premiums thereunder; that he was induced to enter said association under false and fraudulent representations as to the amounts he would be called upon to pay; that without such false and fraudulent representations he would not have entered into such contracts, and that he is entitled, having been so deceived, to recover back the amount so paid in by him to the said company defendant, and interest thereon; and, further, that by reason of such fraudulent representations of defendant, plaintiff, who has now attained the age of 61 years, cannot get insured in another company without great loss and increase of premiums, and that under that head he is entitled, should his claim for reimbursement fail, to be paid damages at least to the sum of \$6,509.50;

‘Whereas defendants plead that they are a mutual insurance company, duly incorporated, that they never deceived plaintiff by any false representations; that plaintiff entered into two policies of insurance in due conformity to written applications made by him, and upon different principles from those alleged in plaintiff’s declaration; that defendants have adhered to all the conditions of said applications and policies; that even if such allegations of fraudulent misrepresentations as those made by plaintiff against defendant were true, that plaintiff acquiesced in the said policies, at different times; that plaintiff cannot now attack the said contracts that he has ratified, and that all the allegations of illegal conduct against the defendants are unfounded, as well as his claim for damages.

‘Whereas, plaintiff has taken a life insurance for a sum of \$10,000 in the company defendant in August, 1885, and another life insurance for another similar amount of \$10,000 in the said company in December, 1887;

‘Considering that in 1885, when plaintiff took his first life insurance from said company defendant, and during several subsequent years, and especially when plaintiff took his second insurance in said company, the said defendant, through its head office, was issuing and circulating throughout the United States of America and Canada, circulars and advertisements containing among others the following representations, offers and promises to people desirous to take insurance :

“It has a reserve fund securely invested of \$2,000 for every \$1,000 of liabilities that are likely to occur, thus making a guarantee for the payment of every claim.

“The expense of management limited to \$2 on each \$1,000.

“A reserve fund which provides against excessive assessments.

“The interest on the reserve fund is applied to the payment of death claims. This will be nearly quite sufficient to pay all claims caused by any increase in the death rate, by reason of the advancing age of the association.

“Its system provides through its reserve fund for the decrease of assessments and this lessens payments in after years.

“The assessments of persistent members will be greatly reduced in 15 years, and it is estimated that the certificate will be nearly if not quite self-sustaining.

“It furnished greater benefits for the amount paid—from \$3,000 to \$4,000 insurance can be obtained at the cost of \$1,000 in an old line company.

“You can by insuring in this association save from one-half to two-thirds the capital you take from your business to pay old line companies for the same amount of insurance.

“The treasurer is required to deposit 25 per cent of the net assessment received with a trust company, &c., &c.

“By the constitution of the association it is provided that the ‘reserve fund’ above \$100,000 and in excess of sums represented by outstanding bonds, may be applied to the payment of claims in excess of the American experience table of mortality and when any claim by death is due, to make up any deficiency that may then exist in the death fund.

“After the expiration of each period of five years during the continuance of a certificate of membership a bond shall be issued for an equitable proportion of the reserve fund, and the principal of said bond shall be available ten years from its date towards paying future dues and assessments under said certificate.

“Thus after fifteen years through the maturing of the bonds, the payment of future dues and assessments by our members will in a great measure be provided for, and the principal of the first bond will then be available to meet assessments, making this the most desirable plan ever presented to the American people.

“There are no stockholders to absorb profits and no surplus to be divided among trustees.



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"Insurance actuaries calculate that should this association experience the same mortality and ratio of lapses as that experienced by the level premium companies in the past decade, its certificates will be self-sustaining after fifteen years."

'Considering that in 1887 defendant through its head office in New York was issuing and circulating throughout the United States of America and Canada prospectuses, circulars and advertisements to the effect that insuring in said company defendant would procure to the insured the following advantages :

1. "Life insurance was secured at half of the rates of ordinary companies.

2. "The contribution does not increase with age, and may be less, but will never exceed the maximum amount indicated by the tables—no dividends to be paid to stockholders ; all profits accruing to policy-holders.

3. "Profits will considerably reduce future payments of persistent members. In 1886 a dividend of 33½ per cent was declared upon all mortuary payments, and in 1887 a dividend of 31 per cent. The reserve fund (Tontine) now exceeds \$1,382,833, out of which \$448,804.87 were added this year, at the rate of \$1,227 for each day of the year.

4. "The security offered is greater than in any other company, &c., &c. It is the only company in which the funds deposited cannot be diverted or misappropriated by the functionaries.

"The payment of capital due after death does not depend upon what can be collected from members, the association always having in hand values payable at sight sufficient to pay treble the amount of each policy after death."

'Considering that the said circulars as well as the policies issued by the company defendant furnished tables of minimum and maximum rates of premium, which could be charged by said defendant for insurance.

'Considering that said circulars, prospectuses, advertisements and tables of rates, as aforesaid were published by the defendant at its head office in New York, and were under its authority published throughout the United States of America and Canada, and placed into the hands of its agents and sub-agents to be used in inducing people to take certificates of insurance from, and insure in, said company defendant.

'Considering that plaintiff was shown the above circulars, prospectuses, offers, advertisements, representations and tables of minimum and maximum rates of premium, and by the same was induced to consent to the above mentioned contracts of insurance.

'Considering that said representations, advertisements, circulars and tables of minimum and maximum rates of premiums were false, fraudulent, and deceitful, and, that the company defendant, by its officers, knew them to be so false, fraudulent, deceitful and dishonest.

'Considering that it is clearly proven that the rates based upon the age of entry of insured were absolutely insufficient to maintain said policies in force, which defendant, by its officers, as experts in insurance could not and did not ignore ;

'Considering, however, that defendant from 1885 up to 1895 did not charge plaintiff any larger premiums than the maximum rate at age of entry and remained within the terms and limits which plaintiff was induced to believe would be carried out during the whole of his lifetime.

'Considering the fact that the representations and promises made to plaintiff were so carried out for ten years, he had no reason to complain and to suspect fraud, and continued paying all claims made upon him promptly and faithfully.

'Considering that on January 23, 1889, a certain resolution was passed at a meeting of the said company defendant, but at which plaintiff was not present, to the following effect :

"Whereas, the Mutual Reserve Fund Life Association was established upon the natural premium system of life insurance, which requires the members to pay simply their proportion of the death claims, with 33 per cent additional thereto, which additional sum has for its object the creation of a reasonable surplus reserve emergency fund to provide against unforeseen contingencies, its foundation principle being in opposition to accumulations of vast sums of money taken from the pockets of the policy-holders, and

"Whereas the aforesaid surplus reserve emergency fund is rapidly increasing, and has already reached the enormous sum of one million eight hundred and eighty-five thousand dollars, therefore,

"Resolved, that in the event any sums are hereafter required for the payment of death claims in excess of the sums realized from current bi-monthly premium calls at the maximum rates at age of entry, as established by the association that are applicable to the death fund, the Board of Directors shall have power to pay such death claims in excess thereof from the current receipts that are applicable to the surplus reserve emergency fund shall always be maintained at a sum of not less than two million dollars ; but nothing in this resolution shall conflict with the provisions of the constitution and by-laws."

'Considering that the above resolutions, called "The Shields Resolution," was not of a nature to awake the suspicions of an inexperienced and inexpert man in insurance matters, that on the contrary, said resolution was confirmatory of the representations made to plaintiff when he entered said company defendant, it repeated that the calls were at age of entry, and it suggests the utilization of the surplus reserve emergency fund as provided in circulars and representations, and in order to keep faith with the insured and not increase the premium rates, but in fact it was not considered necessary afterwards, and was not so utilized :

'Considering that in August, 1895, the company defendant suddenly increased the assessments payable by plaintiff about fifty per cent above the maximum mentioned in the tables of premium rates according to which plaintiff had been induced to insure, which maximum had never been exceeded before, and that the same increase was not applied to all the policy-holders of said company, but discrimination was made against a certain class of policy-holders of which plaintiff forms part ;

'Considering that said call made in August, 1895, was accompanied with a letter of the president of the company defendant, F. A. Burnham, including a letter of the late President E. B. Harper, explaining under what circumstances such increased call was made and referring to a report of the Superintendent of New York, advising such a course ;

'Considering that even before the date of said letters and of said call in August, 1895, the plaintiff received from defendant, on April 1, 1891, a bond for \$218.98 to be credited to him applicable to the payment of the future dues and assessments fifteen years after the date of his first policy (of 1885) which bond was to be followed by similar ones every five years on said policy ;



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‘Considering that said bond to be so placed to plaintiff’s credit virtually if not completely covered the increases of \$13.80 on every subsequent call, and covered said increase for over three years :

‘Considering that on the first day of June, 1893, plaintiff received from defendant another bond for \$204.89 to be credited to him, applicable to the payment of the future dues and assessments fifteen years after the date of his second policy (of 1887), which bond was to be followed by similar ones every five years on said second policy ;

‘Considering that said bond to be so placed to plaintiff’s credit just about covered the increase of \$14.70 on every subsequent call on his second policy for a period of three years ;

‘Considering that plaintiff in 1895 when these increased calls were made upon him had been paying premiums for over ten years upon one policy and about eight years upon the other, that he had attained the age of nearly 58 years, being born in October, 1837, and had great interest in maintaining said policies in force ;

‘Considering that in fact the bonds given plaintiff covered the increase in calls for several years, the defendant had not so far, and in fact up to 1898, materially contravened nor violated the representations, promises and inducements upon which plaintiff was insured with said company defendant ;

‘Considering that until then, the plaintiff, who was a bona fide party to said contracts of insurance and was inexpert in insurance matters, had a right to still believe in the honesty of the insurers ;

‘Considering that company defendant were then still issuing hopeful as well as deceitful statements, showing the most favourable and flourishing state of affairs and giving hopes of great profits to the insured in the near future, plaintiff did continue to pay these increased calls, covered by the bonds in his hands, up to March, 1898 ;

‘Considering that in March, 1898, the company defendant again suddenly increased the assessments payable by plaintiff over 140 per cent above the maximum mentioned in the tables of premium rates according to which plaintiff had been induced to insure and for a long time afterwards induced to remain insured, and that the same increase was not applied to all the policy-holders of said company, but discrimination was made against a certain class of policy-holders of which plaintiff forms part ;

‘Considering that plaintiff, greatly alarmed by such a state of affairs, undertook to look closely into the matter, and decided to drop his said policies of insurance with the company defendant and to insure with another company ;

‘Considering, however, that a new insurance could not be easily secured at his age, plaintiff being 61 years of age, and that it could not be done in a few days, plaintiff paid defendant such first increased call under written protest in order not to be without insurance at all, whilst he was negotiating with another insurance company ;

‘Considering that plaintiff after this, did not pay any more to said company defendant, secured another insurance and brought his action to resiliate his contracts with company defendant and repeat from them all the sums of money paid and interest thereon ;

‘Considering that plaintiff then found out that he had been grossly deceived and that insurance could not possibly be carried on at the rates at which he had been induced to insure, and that this fact was afterwards fully substantiated by the defendant company’s own expert witness and other experts ;

Considering that the artifices practised by the defendant and with its knowledge, were such that plaintiff would not have contracted without them ;

‘Considering that plaintiff has been deceived by the false representations made by means of divers written statements issued by defendant, and has been afterwards kept and maintained under such delusion and error by means of divers documents issued by the defendant company from its head office and sent to said plaintiff ;

‘Considering that plaintiff who was acting and dealing in good faith with said company had a right to and was justifiable in believing and admitting that said company acted with the same good faith, and said plaintiff’s will and consent were only drawn by ruse, deceit and falsehood ;

‘Considering that the duty of those issuing prospectuses and circulars holding out to the public the great advantages which will accrue to persons who will take shares in a proposed undertaking and inviting them to take shares on the faith of the representations therein contained, are bound to state everything with strict and scrupulous accuracy, and not only to abstain from stating as fact that which is not so, but to omit no one fact within their knowledge the existence of which might in any degree affect the nature or extent or quality of the privileges and advantages which the prospectuses hold out as inducements to take shares ;

‘Considering that defendant, as an insurer, has made repeatedly and maintained fraudulent misrepresentations and concealments to plaintiff up to March, 1898, which fraudulent misrepresentations and concealments are a cause of nullity of the contracts entered into with the plaintiff, who was an innocent party to said contracts ;

‘Considering that as all other covenants, the Mutual Insurance contract is regularly formed only by the consent of the contracting parties, this consent to be valid must not have been given by error and surprised by deceit and fraud ;

‘Considering that the conditions of the association were dissimulated by the said defendant and its agent and the insured plaintiff, entered into a company whose premiums were fixed at a certain maximum rate, whilst it was not so, and that the subscriptions of the said plaintiff have been obtained only by means of false representations, deceit and fraud ;

‘Considering that under Article 1049 of the Civil Code, if the person receiving be in bad faith he is bound to restore the sum paid or received, with the interest and profits which it ought to have produced from the time of receiving it ;

‘Considering that the plaintiff has paid defendant as premiums all the sums of money which he alleges to have so paid, and that defendant was always in bad faith when receiving them, and that said contracts of insurance were null *ab initio* ;

‘Considering that the sums so paid by plaintiff to defendant for premiums on said policies amount to \$4,932.20, and that the interest calculated thereon from the time of the payment of the various sums forming the above mentioned sum up to the second day of May, 1898, amount to \$1,577.37, making in all the sum of \$6,509.57 ;

‘Doth declare the said contracts of insurance entered into by plaintiff and defendants as aforesaid null and void *ab initio*, and each and all said payments made by plaintiff to defendants to have been so made by



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error and by reason of the false and fraudulent representations and concealments of defendants, and each and all said payments to have been received by defendants in bad faith, and doth condemn the said defendants to pay to the plaintiff the sum of \$6,509.57, with interest thereon from the date of service of summons, said costs distracts to Messrs. Angers, deLorimier & Godin, attorneys for plaintiff.'

An appeal against the foregoing judgment of Mr. Justice Laverge has been taken to the Court of King's Bench for the province of Quebec.

(i) By an Order of the Divisional Court made on the 5th February, 1901, upon appeal from a certificate of the Master in Ordinary in proceedings for the winding up under the Ontario Insurance Act of a friendly society carrying on the business of life insurance, it was declared that the amount for which the holder of an unmatured policy payable at the death of the insured was entitled to rank upon the assets should be ascertained, as at the date of the commencement of the winding up, by calculating, first, the present value of the reversion in the sum assured by the policy at the decease of the life assured, and, second, the present value of a life annuity of an amount equal to the future premiums which would have become payable during the probable duration of the life assured, and allowing the difference in favour of the first calculation as the sum for which the claimant should rank, and the claim was referred back to the Master to make the calculation:

*Held*, on appeal from a subsequent certificate of the Master showing the result of his calculation, that the sum to be arrived at was matter of simple calculation from the ordinary life insurance tables. The line applicable for the purpose of ascertaining the present value of the reversion in the \$1,000 assured by the claimants policy was the following:—

Age.	$a_x$ .	$A_x$ .	$P_x$ .
45	13.1645	.390044	.027537

The column  $a_x$  shows the present value of an annuity of \$1 payable at the end of each year during life. When the annuity is payable yearly in advance, the number before the decimal point is to be increased by 1. The column  $P_x$  shows the amount of the net annual premium to be charged during life upon an insurance of \$1, in order that a proper fund may be provided to meet the insurance at death. The column  $A_x$  is the result of the multiplication of the figures in the column  $a_x$  plus 1 by those in  $P_x$ , and shows the amount to be paid down in advance as a single premium for the insurance of \$1 payable at death. The figures in column  $A_x$  multiplied by \$1,000 furnished an absolute answer to the first calculation required to be made, \$390.04.

The Master took the figures in column  $a_x$ , plus 1, but multiplied them by the figures actually charged by the insolvent association to a person insuring at the age 45.

*Held*, that this was wrong, the fact of the company having undertaken its contract upon an insufficient consideration has nothing to do with this particular question; the arithmetical value of the reversion is not decreased by the fact that the premium stipulated for was too low; the premium paid has nothing to do with this calculation. It was not disputed that the present value of life annuity of an amount equal to the future premiums was \$177.54.

*Held*, therefore, that the claimant was entitled to rank for \$212.50.

By 1 Edw. VII., c. 21 (O), assented to on the 15th April, 1901, the law as it previously existed was altered in several important respects, notably in the manner of valuing unmatured policies, and the rights of persons who had entered into contracts with this association were impaired; and, by subsec. (6) of s. 1, it was enacted that these amendments and additions 'declare the law of the province as it existed on, and has existed since, the 14th April, 1892,' without any saving of rights acquired, or contracts entered into, or of actions pending under the law as it stood.

*Held*, however, that these amendments did not affect the rights of the claimant, because these rights had been declared by the judgment of the 5th February, 1901, before the Act was passed, and judgments are not re-opened even by such legislation.

(December 4, 1901.—Divisional Court, Ontario, in *re Merchants Life Association v. Vernon's Cases*, 38 Canada Law Journal (1902), p. 39; 2 Ontario Law Reports (1901) p. 682).

(j) H., a member of the order of Royal Templars, held a benefit certificate entitling him, if he reached the age of 70 years or became entirely disabled, to receive a sum of money based on the membership of the order. On reaching the age stated he demanded the amount and on the order refusing to pay brought an action therefor, the defence to which was that he had stated his age incorrectly in his application for membership and violated certain conditions which, however, the court held were not set out nor referred to in the certificate. A judgment for H. at the trial was affirmed by the court of appeal and the amount recovered being under \$1,000, the defendant moved the Supreme Court of Canada for special leave to appeal under 60-61 Vic., c. 34, s. 1 (e).

*Held*, That the questions involved not being of public importance and the judgment of the Court of Appeal appearing to be well founded, the leave would not be granted.

(October 1, 1901.—Supreme Court of Canada, *Royal Templars v. Hargrove*, 38 Canada Law Journal (1902), p. 20).

### 3.—FIRE INSURANCE, TAXES, INSURANCE BY MORTGAGOR, RENEWAL, PRIOR INSURANCE, AGENT.

(k) Action to recover \$400, being amount of special tax imposed by the City of Montreal upon fire insurance companies doing business within the city. The defendant company contended that it did not come within the provisions of the by-law in question since it took no risks in the city, although its chief office was there.



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*Held*, That the issue of a policy in Montreal was the acceptance of a risk in the city, even though the property thereby insured was situated outside the city.

(November 19, 1900.—Mr. Justice Doherty, Superior Court, Montreal, *City of Montreal v. Union Mutual Fire Ins. Co.*, 21 Canadian Law Times (1901), p. 52.)

(l) A mortgagor who had made a mortgage, under the Short Forms Act, containing a covenant to insure the mortgaged premises against fire, effected an insurance thereon with defendants, the loss, by the policy, being payable to the plaintiff, the mortgagee, as his interest might appear under the mortgage. Subsequently the mortgagor conveyed his equity of redemption to the mortgagee without the consent of the insurance company having been obtained therefor. The premises having been afterwards destroyed by fire:—

*Held*, That the plaintiff was not entitled to the insurance moneys, for (1) the fact of the conveyance made by the mortgagor to the plaintiff, whereby he ceased to have any interest at the time of the fire was a good answer to the claim; and (2), such conveyance constituted a breach of the fourth statutory condition, which provides against the insured premises being assigned without the insurance company's consent.

(July 20, 1901.—Chief Justice Sir William Meredith, *Pinhey v. Mercantile Fire Insurance Co.*, 2 Ontario Law Reports, p. 296.)

(m) The renewal, as it is commonly called, of a contract of insurance is not a renewal or an extension of the original contract, but a new contract based as far as applicable upon the original application and in accordance with the policy issued in pursuance thereof. Where, therefore, at the time of such a new contract by way of renewal, no prior insurance is in force, the insurance is not avoided, although when the original contract was entered into prior insurance was in force, and this fact was not disclosed. Judgment of Rose, J. (noted at page xl of the report issued in 1901), reversed.

Mortgagees to whom by a policy the loss is made payable as their interest may appear, have a right of action on the policy in their own name against the insurers, and are entitled to enforce payment to the extent of their interest.

(November 6, 1901.—Court of Appeal, Ontario, *Agricultural Savings and Loan Co. v. Liverpool and London and Globe Insurance Co.*, 21 Canadian Law Times (1901), p. 582; 3 Ontario Law Reports (1902), p. 127.)

(n.) The *lex fori* must be presumed to be the law governing a contract unless the *lex loci* be proved to be different.

The appointment of a local agent of a fire insurance company is one in the nature of a *delectus persone*, and he cannot delegate his authority nor bind his principal through the medium of a sub-agent.

*Summers vs. The Commercial Union Assurance Co.*, 6 S. C. R. 19, followed.

The local agent of a fire insurance company was authorized to effect interim insurances by issuing interim receipts, countersigned by himself, on the payment of the premiums in cash. He employed a canvasser to solicit insurances who pretended to effect an insurance on behalf of the company by issuing an interim receipt countersigned by him (the canvasser) as agent for the company, taking a promissory note payable in three months to his own order for the amount of the premium.

*Held*, that the canvasser could not bind the company by a contract on the terms he assumed to make, as the agent himself had no such authority.

*Held*, further, that even if the agent might be said to have power to appoint a sub-agent for the purpose of soliciting insurances, the employment of the canvasser for that purpose did not confer authority to conclude contracts, to sign interim receipts, nor to receive premiums for insurances.

(November 16, 1901.—Supreme Court of Canada, *Canadian Fire Insurance Company vs. Robinson* 38 Canada Law Journal (1902), p. 74).

#### 4.—ACCIDENT INSURANCE, HAZARDOUS OCCUPATION, VOLUNTARY EXPOSURE.

(o.) A judgment for \$1,000 damages, with interest from a date before action brought, is appealable under 60-61 V., c. 34, s. 1 (c).

An accident policy issued to M., who was insured as a baggageman on a railway, contained the following conditions: 'If the insured is injured in any occupation or exposure classed by this company as more hazardous than that stated in said application, his insurance shall only be for such sums as the premium paid by him will purchase at the rates fixed for such increased hazard.' (There was no classification of 'exposure' by the company.) 'This insurance does not cover \* \* \* death resulting from \* \* \* voluntary exposure to unnecessary danger.' M. was killed while coupling cars, a duty generally performed by a brakeman, whose occupation was classed by the company as more hazardous than that of a baggageman.

*Held*, affirming the judgment of the Court of Appeal, 2 O. L. R., 521, 21 Occ. N. 553, which sustained the judgment for the plaintiff at the trial, 32 O. R. 284, 21 Occ. N. 76, that, as he was only performing an isolated act of coupling cars, the insured was not injured in an occupation classed as more hazardous under the first of the above conditions.

*Held*, also, that as the evidence showed that the insured was in the habit of coupling cars frequently, and therefore would not consider the operation dangerous, there was no 'voluntary exposure to unnecessary danger' within the meaning of the second condition.

(May 6th, 1902.—Supreme Court of Canada, *McNevin v. Canadian Railway Accident Ins. Co.*, 22 Canadian Law Times (1902), p. 223).



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## 5.—PRACTICE, SERVICE OF PROCESS.

(p). An English insurance company, which had carried on business in Canada, and whose head office was then at Toronto, by two powers of attorney had appointed the general agent of Toronto to receive process under both R.S.O., 1897, c. 293, s. 66, and R.S.C., c. 124, s. 13, transferred its Canadian business to another company and closed its Canadian offices, but the deposit under the Dominion Act had not been released, and neither of the powers of attorney had been cancelled. On motion to set aside a suit of summons, which was accepted by solicitors as if served on the Toronto agent of the company, subject to the right to move against it on the ground that the company was not within the jurisdiction :—

*Held*, That a suit of summons upon a policy issued in Quebec in respect of a loss upon property in Quebec was properly served upon the agent named as attorney at Toronto, under Rule 159, and that the court in Ontario, therefore, had jurisdiction to entertain the action.

*Seem*, That the power of attorney required to be filed under R.S.C., c. 124, s. 13, is to receive service of process in any suit instituted in any Province of Canada in respect of any liability incurred in *such Province*, and not in respect of any liability incurred *in Canada*.

(February 24, 1902.—Mr. Justice Street, *Armstrong v. Lancashire Fire Ins. Co.*, 22 Canadian Law Times, 1902, p. 146; 3 Ontario Law Reports, 1902, p. 395.)

## LEGISLATION.

## 1. DOMINION LEGISLATION.

The following Acts relating to insurance companies were passed by the Parliament of Canada at the session of 1902, 2 Edward VII. :—

(1) An Act to incorporate the Sovereign Life Assurance Company of Canada. The head office of this company is to be at the city of Toronto. Steps are now being taken to organize, and it is expected that a license will be applied for before the end of the *present* year.

(2) An Act to incorporate the Union Life Assurance Company. The head office of this company is also to be at the city of Toronto. A license has been *applied* for.

(3) An Act respecting the Royal Marine Insurance Company. This Act extends the time allowed the company to commence business.

Almost all life companies transacting business in Canada issue contracts providing for the payment of cash surrender values or the issue of paid up policies, and in all recent charters granted by the Dominion Parliament provision has been made in certain cases for cash surrenders and paid up insurance, but in all Acts passed prior to this present year the right to such cash values or paid up policies was made dependent upon a demand therefor within a limited time, usually twelve months, after the failure to pay a premium due on the original policy.

The analogous clause in the Sovereign and Union Life Acts, mentioned above, recently assented to, make the policies in the cases provided for essentially non-forfeitable by providing in effect that in every such case a cash surrender value must be paid or a paid up policy issued, the policy-holder having the right of choice for twelve months after failure to pay a premium, the option then passing to the company.

The tendency, on the part of companies, has been gradually in the direction of the non-forfeiture of policies on which three or more annual premiums have been paid, very liberal terms being in many instances contracted for. There has been, moreover, a gradual growth of opinion in Parliament in favour of such non-forfeiture, arising doubtless from its manifest justice, and it might be well to consider the advisability of enacting a general law applicable to all companies transacting the business of life insurance in Canada, dealing with the subject of non-forfeiture and fixing minimum amounts both for cash surrenders and for paid up or extended insurance.